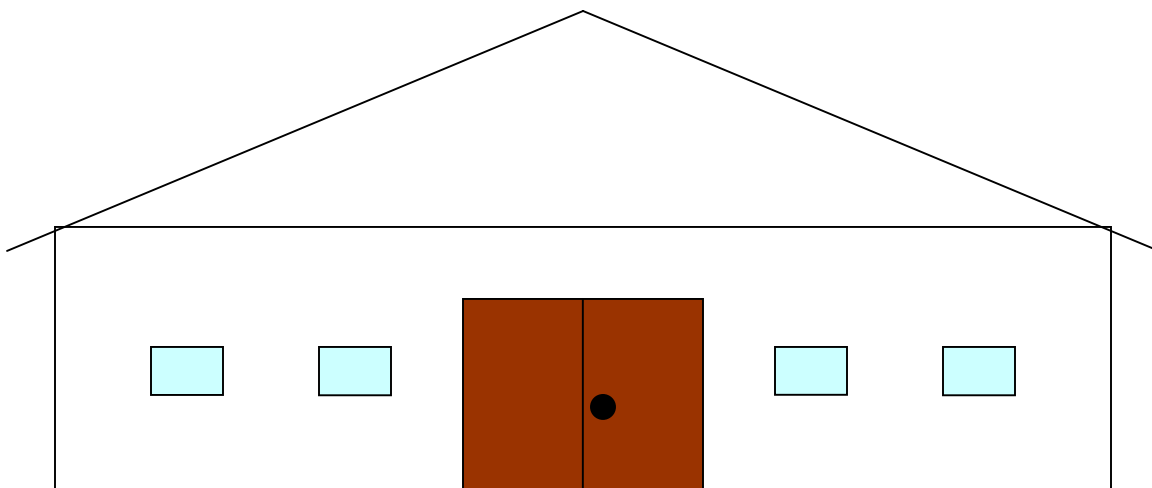


Application Package

Community Development Block Grant (CDBG) Program



STATE OF LOUISIANA

Division of Administration

Office of Community Development

Community Development Block Grant Program (CDBG)

P. O. Box 94095, Baton Rouge, LA 70804-9095

1201 N. 3rd Street

Claiborne Building, Suite 7-270

Telephone: (225) 342-7412

Fax: (225) 343-1947

Website: <http://www.la.gov/cdbg/cdbg.htm>

STATE OF LOUISIANA

KATHLEEN BABINEAUX BLANCO, GOVERNOR

DIVISION OF ADMINISTRATION

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OFFICE OF COMMUNITY DEVELOPMENT

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Carol Newton, Public Facilities Program Manager

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Acronyms

LCDBG	Louisiana Community Development Block Grant
CDBG	Community Development Block Grant
OCD	Louisiana's Office of Community Development
DOA	Louisiana's Division of Administration
LGR	Local Government Representative
HUD	U. S. Department of Housing and Urban Development
The Act	The Housing and Community Development Act of 1974, as amended

Definitions

Local Government Representative	OCD staff member whose responsibility is to monitor an assigned list of grants.
Conditionally Closed-out	The status of a grant as evidenced by a letter of notification from OCD; generally receipt of a final audit is the last remaining task.
Single-purpose Application	Funds requested for one major activity; i.e., sewer, potable water, streets, or fire protection.
Multi-purpose Application	Funds requested for two or more major activities; i.e., sewer, potable water, streets and fire protection.

FY 2004/2005 LCDBG Public Facilities Program Community Center Application

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I. PROGRAM GOALS AND OBJECTIVES

I. PROGRAM GOALS AND OBJECTIVES

All activities funded by the Louisiana Community Development Block Grant Program (LCDBG) must address one of the following two national objectives.

- Principal benefit (at least fifty-one percent) to low and moderate income persons.
- Elimination or prevention of slum and blight.

In order to meet these national objectives, the Office of Community Development has the following goals.

- Benefit low and moderate income persons.
- Eliminate or aid in the prevention of slums or blight.
- Strengthen community and economic development through the creation of jobs, stimulation of private investment, and community revitalization, principally for the benefit of low and moderate income persons.
- Provide for other community development needs with a particular urgency due to existing conditions that pose a serious and immediate threat to the health or welfare of the community.

An excerpt from the State's Proposed FY 2006 Consolidated Annual Action Plan is included as Chapter IX of this Application Package. This excerpt explains the procedures governing the State's distribution of LCDBG funds.

II. GENERAL INFORMATION FOR COMMUNITY CENTER APPLICANTS

II. GENERAL INFORMATION FOR COMMUNITY CENTER APPLICANTS

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<u>Mailing Address</u>	<u>Phone Numbers</u>
Division of Administration	<i>Telephone:</i> (225) 342-7412
Office of Community Development	<i>Fax:</i> (225) 342-1947
P. O. Box 94095	
Claiborne Bldg., Suite 7-270; 1201 N. Third St.	<i>LA Relay Service Info:</i> 800-333-0605
Baton Rouge, LA 70804-9495	

Physical Address
Division of Administration
Office of Community Development
Claiborne Building, Suite 7-270
1201 North Third Street
Baton Rouge, LA 70802

Introduction

The Division of Administration's Office of Community Development administers the LCDBG Program. Approximately \$32 million in funds will be available for the FY 2006 LCDBG Program. Of that amount, approximately \$22 million will be available for the Public Facilities Program. Of the total amount allocated for the Public Facilities Program, \$1.6 million will be set aside for multi-purpose community centers.

The Office of Community Development surveys eligible communities every two years to determine priorities for funding under the LCDBG Program. As in the past, public infrastructure was identified as a high priority. The funding priorities under the Public Facilities Program for the FY 2006/2007 Program years are:

- Sewer Improvements
- Potable Water Improvements
- Fire Protection Improvements
- Street Improvements
- Community Centers

The LCDBG Public Facilities Program has a two year funding cycle. Therefore, the Office of Community Development will accept applications for these priorities on December 16, 2005 and those applications will be reviewed for funding under the FY 2006 and FY 2007 program years. The applications are ranked among other applications submitted under the same activity area. For instance, an application for a community center will be ranked along with other applications for a community center.

The Office of Community Development will not enter rating data for any public facilities applications that do not meet the threshold criteria identified on pages 17 - 19 as of **December 16, 2005**. Therefore, those applications will not be in consideration for funding for the FY 2006 program year. For the second year of the funding cycle, FY 2007, the Office of Community Development will enter rating data from any applications that meet the threshold criteria as of **December 15, 2006**. A different mix of applications will, in all likelihood, be eligible for funding during the second funding cycle; therefore, Cost Effectiveness, one of the rating criteria of community centers, may change accordingly.

Eligible Applicants

All municipalities and parishes in Louisiana are eligible to participate in the LCDBG program with the exception of the following HUD entitlement jurisdictions: Alexandria, Baton Rouge, Bossier City, Jefferson Parish (including Grand Isle, Gretna, Jean Lafitte, and Westwego), Kenner, Lafayette Parish Consolidated Government, Lake Charles, Monroe, New Orleans, Shreveport, Slidell, Terrebonne Parish Consolidated Government, and Thibodaux.

Municipalities with a population of less than 25,000 and parishes with an unincorporated population of less than 25,000 may apply for one housing or public facilities grant under the FY 2006/2007 LCDBG Program. Municipalities with a population of more than 25,000 and

parishes with an unincorporated population of more than 25,000 may submit a total of two applications for housing or public facilities with a combined maximum request of \$1.6 million. The individual amounts requested per application cannot exceed the funding ceiling amount for that particular type of application. The two applications must be prepared and submitted as two separate applications. According to the 2000 census information obtained from the Louisiana Census Data Center as provided by the U.S. Bureau of Census, those municipalities and parishes are as follows: Acadia Parish, Ascension Parish, Bossier Parish, Caddo Parish, Calcasieu Parish, Iberia Parish, Lafourche Parish, Livingston Parish, City of New Iberia, Ouachita Parish, Plaquemines Parish, Rapides Parish, St. Bernard Parish, St. Charles Parish, St. John the Baptist Parish, St. Landry Parish, St. Martin Parish, St. Tammany Parish, Tangipahoa Parish, Vermilion Parish, Vernon Parish, and Washington Parish.

Type of Grant

This application package is to be used when requesting funds for community center projects. Only single purpose applications will be accepted. A single purpose grant provides funds for one primary need or activity. Multi-purpose applications are not eligible for funding. For example, a dual purpose application for a community center and a fire station is not eligible for funding.

Size of Grant

The State has established a funding ceiling of \$800,000 for community center grants.

Eligible Activities

Appendix 3 of the Proposed FY 2006 Consolidated Annual Action Plan identifies all of the activities eligible for community development block grant funding under federal guidelines. Within those regulations, the State has established priorities for program categories and activities. The public infrastructure priorities are sewer, water (potable and fire protection), and streets. Ineligible activities are identified in Section 570.207 of the Code of Federal Regulations.

Funds can be requested for new construction or renovation of a vacant building for use as a multi-purpose community center. Renovations or additions to, or replacement of existing multi-purpose community centers is ineligible. LCDBG funds cannot be used to purchase equipment and furniture for the building with the exception of built-in kitchen appliances.

Each applicant must present a financial plan that identifies the projected amount(s) and source(s) of revenues and operating expenses. Sources of revenue can be general revenue sources of the local government, dedicated revenue sources of the local government, and/or receipts from events.

The application must identify the types of activities and service providers that will be housed in the community center. The primary purpose of the services offered will be for public/community uses rather than for recreational purposes. Examples of public services

include, but are not limited to: child care, health care, job training, education programs, public safety, senior citizen services, services for homeless persons, drug abuse counseling and treatment, welfare services, etc.

Letters of intent from the service providers must be included with your application submittal. The letters of intent must state the intent to move the service into the facility, the name and purpose of the service provider, a detailed description of the services to be provided, a description of the basic hours during which the services will be provided, clientele data, and any other pertinent information. Services should be provided at the center on a daily or regular basis.

The local government must commit to pay all the pre-agreement and administrative costs associated with the LCDBG program. A letter of commitment from the local government indicating such commitment is a required application component. Based on past grants, such costs often fall between thirty and forty thousand dollars.

If an application requesting funds for a community center does not meet the intent of the program or does not address the required criteria, the State may deem that application ineligible for funding.

Application Deadline

The deadline for submittal of public facilities infrastructure applications is December 16, 2005. If hand delivered, applications must be received by the Office of Community Development by 4:30 p.m. on or before December 16, 2005. If mailed, the postmark must be stamped no later than December 16, 2005. The applicant must obtain a "Certificate of Mailing" from the Post Office, certifying the date mailed. The State may require the applicant to submit the "Certificate of Mailing" to document compliance with the deadline.

Any applications that do not meet the deadline requirements stated above will not be rated.

Number of Copies of Applications

An original and one copy of the complete application must be mailed to:

Division of Administration
Office of Community Development
Post Office Box 94095
Baton Rouge, Louisiana 70804-9095

Or delivered (hand carried) to:

Division of Administration
Office of Community Development
Claiborne Building, Suite 7-270
1201 North Third Street
Baton Rouge, Louisiana 70802

Threshold Criteria

No grant will be made to an applicant that lacks the capacity to undertake the proposed program. In addition, applicants that have previously participated in the LCDBG Program must have performed adequately.

Performance and capacity determinations for the FY 2006 program year will be made on December 16, 2005. Performance and capacity determinations for the FY 2007 program year will be made on December 15, 2006.

In order to be eligible for a public facilities/community center grant under the FY 2006 LCDBG program year, the following thresholds must have been met:

1. Units of general local government will not be eligible to receive funding unless past LCDBG programs (FY 1997, FY 1998, FY 1999, FY 2000, FY 2001, FY 2002, FY 2003, FY 2004, and FY 2005) awarded by the State have been conditionally closed-out with the following exceptions.

For recipients of economic development awards under the FY 2002, FY 2003, FY 2004, and FY 2005 LCDBG Programs and for recipients of demonstrated needs awards funded under the FY 2005 LCDBG Program, the State will, on a case-by-case basis, make a determination on the recipient's performance. If the State makes the determination that the recipient has performed adequately, the State may deem that recipient eligible for FY 2006 funding.

The following stipulations in this paragraph relate to those parishes with an unincorporated population of more than 25,000 and cities with a population of more than 25,000 (See Section II.G.1. of the Proposed FY 2006 Consolidated Annual Action Plan) that may be applying for funds under the FY 2006 LCDBG program year. If any of these local governing bodies have no open or ongoing housing or public facilities grants awarded as of December 16, 2005, the local governing body will be eligible to receive two grants under the FY 2006 LCDBG Program. If any of these local governing bodies have one housing or public facilities grant awarded as of December 16, 2005 that has not been conditionally closed-out, the local governing body will be eligible to receive one grant under the FY 2006 LCDBG Program. If both applications are in a funding position under the FY 2006 Program, then the local governing body may choose which application will be funded. If any of these local governing bodies have two open and ongoing housing and/or public facilities grants that have not been conditionally closed prior to December 16, 2005, then those local governing bodies will not be eligible for any grants under the FY 2006 LCDBG program year.

2. Audit and monitoring findings made by the State or HUD have been cleared.
3. All required reports, documents, and/or requested data have been submitted within the timeframes established by the State.

4. Any funds due to HUD or the State have been repaid or a satisfactory payment arrangement of the debts has been made and payments are current.
5. The unit of general local government cannot be on the list of sanctioned communities that is maintained by the Office of Community Development.

The threshold requirements for FY 2006 funding will not apply to the recipients of the FY 2002, FY 2003, FY 2004 and FY 2005 LaSTEP funds or FY 2000 and FY 2002 Technology funds based on those grants only. If, however, the recipients of the LaSTEP or Technology funds have an LCDBG program previously funded under another program category, that grant must meet the threshold requirements in order for the recipient to be eligible for other funding. The threshold requirements for FY 2007 funding for the aforementioned recipients will be identified in the FY 2007 Consolidated Annual Action Plan.

In order to be eligible for a public facilities/community center grant under the FY 2007 LCDBG program year, the following thresholds must have been met:

1. Units of general local government will not be eligible to receive funding unless past LCDBG programs (FY 1997, FY 1998, FY 1999, FY 2000, FY 2001, FY 2002, FY 2003, FY 2004, FY 2005, and FY 2006) awarded by the State have been conditionally closed-out with the following exceptions.

For recipients of economic development awards under the FY 2003, FY 2004, FY 2005, and FY 2006 LCDBG Programs and for recipients of demonstrated needs awards funded under the FY 2006 LCDBG Program, the State will, on a case-by-case basis, make a determination on the recipient's performance. If the State makes the determination that the recipient has performed adequately, the State may deem that recipient eligible for FY 2007 funding.

The following stipulations in this paragraph relate to those parishes with an unincorporated population of more than 25,000 and cities with a population of more than 25,000 (See Section II.G.1. of the Proposed FY 2006 Consolidated Annual Action Plan) that may be applying for funds under the FY 2007 LCDBG program year. If any of these local governing bodies have no open or ongoing housing or public facilities grants awarded prior to December 15, 2006, the local governing body will be eligible to receive two grants under the FY 2007 LCDBG Program. If any of these local governing bodies have one housing or public facilities grant awarded prior to December 15, 2006 that has not been conditionally closed-out, the local governing body will only be eligible to receive one grant under the FY 2007 LCDBG Program. If both applications are in a funding position under the FY 2007 Program, then the local governing body may choose which application will be funded. If any of these local governing bodies have two housing or public facilities grants that have not been conditionally closed prior to December 15, 2006, then those local governing bodies will not be eligible for any grants under the FY 2007 LCDBG program year.

2. Audit and monitoring findings made by the State or HUD have been cleared.
3. All required reports, documents, and/or requested data have been submitted within the timeframes established by the State.
4. Any funds due to HUD or the State have been repaid or a satisfactory payment arrangement of the debts has been made and payments are current.
5. The unit of general local government cannot be on the list of sanctioned communities that is maintained by the Office of Community Development.

Any public facilities applications that are determined to be ineligible for FY 2006 funding will be re-evaluated for eligibility for FY 2007 funding.

The State is not responsible for notifying applicants as to their performance status.

In order to be conditionally closed out, all closeout documents must have been approved by the State. Upon approval of all closeout documents, the State will forward a letter to the local governing body as official notification. The date of that letter must be **prior** to the date established for performance and capacity determinations.

The closeout documents should be submitted to the State at least forty-five days prior to the date established for performance and capacity determinations in order to give the State sufficient time to review these documents. The State cannot assure the review of the closeout documents will be completed within the time frame if less than forty-five days are given for staff review. The State will not be responsible for conditionally closing a grant if the closeout documents are submitted in a timely manner, but are determined to need revisions that cannot be completed prior to the established deadline.

Citizen Participation Requirements

Prior to the submittal of the application, the local governing bodies must have a written and adopted Citizen Participation Plan that is in compliance with Section 508 of the Housing and Community Development Act of 1974, as amended. The local Citizen Participation Plan must be made available to the public at the first public hearing. Instructions for developing a Citizen Participation Plan and a Sample Citizen Participation Plan for local governments are provided on pages 23 - 31.

Previous LCDBG recipients that have already adopted a Citizen Participation Plan must revise their plan to reflect any changes herein. Local governing bodies that are not familiar with the State's Citizen Participation Plan may request a copy by contacting Dotty Tapscott in the Office of Community Development at 225/342-7412. Only the citizen participation requirements that pertain to the application procedures are identified herein.

If the local governing body is not having an official meeting to adopt/amend the Citizen Participation Plan prior to the first public hearing, the local governing body can distribute the

new or revised Citizen Participation Plan at the public hearing. However, the new or revised Citizen Participation Plan must be adopted prior to the second public notice announcing availability of the application for review and the notice must state that the adopted Citizen Participation Plan will also be available for review.

The local governing body must hold the first public hearing prior to the development of the application. The purpose of the hearing is to receive comments on the housing and community development needs of the jurisdiction. A notice of the public hearing (sample notice is provided on page 32) must be published in a local newspaper a minimum of five days prior to the date of the hearing. The day the notice is published does **not** count as one of the five days. The hearing can be held on the fifth day. The location and time of the hearing must be convenient to potential beneficiaries. Also, a location and time frame for the submittal of comments should be included for persons unable to attend the hearing. An interpreter must be present at the public hearing if a significant number of non-English speaking persons are expected. The notice must state that accommodations for persons with disabilities or non-English persons will be provided. Citizens, particularly persons of low and moderate income and those living in slum and blighted areas, should be encouraged to participate in this process.

The following information must be identified in the public notice as items to be discussed at the hearing and provided to persons attending the meeting.

1. The amount of funds available for proposed community development and housing needs.
2. The range of activities that may be undertaken, including the estimated amount proposed to be used for activities that will benefit persons of low and moderate income.
3. The plans of the applicant for minimizing displacement of persons as a result of activities assisted with such funds and the benefits to be provided to persons actually displaced as a result of such activities.
4. If applicable, the applicant must provide citizens with information regarding the applicant's performance in prior LCDBG programs funded by the State.

Written minutes of the hearing and an attendance roster must be maintained by the local governing body.

A second public notice (sample notice on page 33) regarding the specific contents of the application must be published a minimum of seven calendar days prior to application submittal in a local newspaper. The purpose of the notice is to inform the citizens of the proposed objectives, proposed activities, location of the proposed activities, and amount of funds to be used for each activity. Citizens must be given the opportunity to review the application and to submit comments on the proposed application. The notice must state the proposed application submittal date and provide the location and time frame the application is available for review. **The application must be complete and available for public review when the notice is published in the newspaper.**

The applicant must provide technical assistance to facilitate citizen participation when requested, particularly to representatives of or low and moderate income persons. The level and type of technical assistance shall be determined by the applicant based upon the specific needs of the community's residents.

Standard Application Forms

Only applications submitted on the standard forms included herein will be accepted. Additional application forms are available from the Division of Administration, Office of Community Development, Post Office Box 94095, Baton Rouge, Louisiana 70804-9095. Telephone number (225) 342-7412 or Louisiana Relay Service at 1-888-699-6869 (Information), 1-800-846-5277 (TTY Users), 1-800-947-5277 (Voice Users). The application package is also available on the Internet at www.state.la.us/cdbg/cdbg.htm.

Federal and State Statutes and Regulations That Apply to the LCDBG Program

The following regulations apply to the LCDBG Program and should be considered in the preparation of your application.

1. Uniform Act (Acquisition and Relocation) – Requires appraisals for all acquisition (valued over \$10,000) undertaken in connection with activities included in the application, including easements/servitudes for public facilities. The local governing body is required to pay at least fair market value for all properties acquired. Acquisition must be completed before construction begins. Acquisition and relocation can be very time consuming, please develop your program time schedule accordingly.
2. Davis-Bacon and Contract Work Hours and Safety Standards – Requires that Federal prevailing wage rates are paid to all employees working under a construction contract of \$2,000 or more. Also, all employees must be paid at least time and a half for any time they work more than forty hours per week. The Federal Labor Standards Provisions and the applicable federal wage decision(s) must be included in bid packages and contract documents as well as referenced in all bid advertisements. Prevailing wage rates are higher than regular wages in many rural areas and may affect the project budget.
3. Audit Requirements – OMB Circular A-133 requires single audits of all grantees that have total annual federal expenditures in excess of \$500,000. Financial audits and/or certifications are required in accordance with State law when grantee has total annual federal expenditures less than \$500,000. Single audit costs may be eligible for reimbursement in part as an administrative expense.
4. Architectural Barriers Act – Requires that all non-residential structures and public facilities constructed, renovated, or rehabilitated with federal funds be accessible to the handicapped. Entrances must be ramped, bathrooms must accommodate wheelchairs, etc.

5. Rehabilitation Standards – All houses rehabilitated with LCDBG funds must meet Section 8 Existing Housing Quality Standards, HUD's cost-effective energy standards, Section 105 (a) (4) of the Housing and Community Development Act of 1974, as amended (if lead based paint activities are in conjunction with other rehabilitation activities), Section 105 (a) (25) (if lead based paint activities are undertaken as a separate activity), and the Fire Administration Act requirements after the project is complete. The cost of rehabilitating units that do not meet these standards will not be an eligible LCDBG cost. Mobile and/or modular homes are not eligible for rehabilitation under the LCDBG Program. However, substandard mobile homes may be replaced with residential structures.

All units built prior to 1978 must be tested for lead-based compliance before construction.

Developing a Citizen Participation Plan

All applicants and grantees should have **developed** and **adopted** a Citizen Participation Plan prior to application preparation in order to be in compliance with Section 508 of the Housing and Community Development Act of 1974, as amended. The Plan at a minimum should:

- (a) provide for and encourage citizen participation, with particular emphasis on participation by persons of low and moderate income who are residents of slum and blighted areas and of areas in which funds are proposed to be used;
- (b) provide citizens with reasonable and timely access to local meetings, information, and records relating to the unit of local government's proposed method of distribution and relating to the actual use of funds under Title I of the Housing and Community Development Act of 1974, as amended;
- (c) provide for technical assistance to groups representative of persons of low and moderate income that request such assistance in developing proposals with the level and type of assistance to be determined by the grantee;
- (d) provide for public hearings to obtain citizen views and to respond to proposals and questions at all stages of the community development program, including at least the development of needs, the review of proposed activities, and review of program performance; which hearings shall be held after adequate notice, at times and locations convenient to potential or actual beneficiaries, and with accommodations for the handicapped;
- (e) provide for a formal written procedure which will accommodate a timely written response to written complaints and grievances within 15 days where practicable; and
- (f) identify how the needs of non-English speaking residents will be met in the case of public hearings where a significant number of non-English speaking residents can reasonably be expected to participate.

Each applicant/grantee shall provide citizens with adequate opportunity to participate in the planning, implementation, and assessment of the CDBG program. The applicant/grantee shall provide adequate information to citizens, hold a public hearing at the initial stage of the planning process to obtain views and proposals of citizens, and provide opportunity to comment on the applicant's/grantee's community development performance. The Citizen Participation Plan must incorporate procedures for complying with the above regulations (a-f).

(Sample)

CITIZEN PARTICIPATION PLAN

The _____ has adopted the following Citizen Participation Plan to meet the citizen participation requirements of Section 508 of the Housing and Community Development Act of 1974, as amended. The _____ is committed through adoption of this plan to full and total involvement of all residents of the community in the composition, implementation and assessment of its Louisiana Community Development Block Grant (LCDBG) Program. Attempts will be made to reach all citizens, with particular emphasis on participation by persons of low and moderate income, residents of slum and blighted areas and of areas in which funds are proposed to be used. A copy of this plan will be made available to the public upon request.

As part of the citizen participation requirements and to maximize citizen interaction, the _____ shall:

- 1) Provide citizens with reasonable and timely access to local meetings, information and records relating to the State's proposed method of distribution, as required by the Secretary, and relating to the actual use of funds under Title I of the Housing and Community Development Act of 1974, as amended;
- 2) Provide for public hearings to obtain views and respond to proposals and questions at all stages of the community development program. These hearings will consist of the development of needs and proposed activities and review of program performance. These hearings will be held after adequate notice, a minimum of five calendar days, at times and locations convenient to potential or actual beneficiaries with accommodations for persons with disabilities;
- 3) Provide for and encourage citizen participation with particular emphasis on participation by persons of low and moderate income who are residents of slum and blighted areas and of areas in which funds are proposed to be used;
- 4) Provide for technical assistance to groups representative of persons of low and moderate income that request such assistance in developing proposals;
- 5) Where applicable, identify how the needs of non-English speaking residents will be met in the case of public hearings; and
- 6) Provide for a formal written procedure which will accommodate a timely written response, within fifteen days where practicable, to written complaints and grievances.

Written minutes of the hearings and an attendance roster will be maintained by the _____.

PUBLIC HEARINGS

Notices informing citizens of any public hearings will appear in the official journal of the _____ a minimum of five calendar days prior to the hearing. In addition, notices will also be posted in (parish office buildings/town hall) and the hearing will be publicized through local community organizations, i.e., churches, clubs, etc., and/or dissemination of leaflets in the target area. Hearings will be held at times and locations convenient to potential or actual beneficiaries with accommodations for individuals with disabilities and non-English speaking persons. Whenever possible these hearings will be held within or near the target areas, at times affording participation by the most affected residents.

I. APPLICATION:

First Notice/Public Hearing

- 1) The public hearing to address LCDBG application submittal will be held approximately _____ calendar days prior to the deadline for submission of the application for the current funding cycle. The Citizen Participation Plan will be available at the hearing. The public notice for this hearing will state that the following will be discussed:
 - a) The amount of funds available for proposed community development;
 - b) The range of activities that may be undertaken, including the estimated amount proposed to be used for activities that will benefit persons of low and moderate income;
 - c) The plans of the _____ for minimizing displacement of persons as a result of activities assisted with such funds and the benefits to be provided by the _____ to persons actually displaced as a result of such activities; and
 - d) The _____ prior performance of LCDBG programs funded by the State of Louisiana.

In addition, the notice shall state that all citizens, particularly low and moderate income residents of slum and blighted areas, are encouraged to submit their views and proposals regarding community development and housing needs. Those citizens unable to attend this hearing may submit their views and proposals to:

(address of local governing body)

The notice will also state that accommodations will be made for disabled and non-English speaking individuals provided a _____ day notice is received by the _____.

Second Notice

- 1) Seven calendar days, at a minimum, prior to the deadline for submittal of the application, a second notice shall appear in the official journal informing the citizens of the following:
 - a) Proposed submittal date of the application;
 - b) Proposed objectives;
 - c) Proposed activities;
 - d) Location of proposed activities;
 - e) Dollar amount of proposed activities; and
 - f) Location and hours available for application review.

In addition, the notice shall state "all citizens, particularly those affected by the proposed project, are encouraged to review the proposed application and submit any written comments on the application to:"

(address of local governing body)

Negative comments received will be forwarded immediately to the State's Office of Community Development, Division of Administration or the application will be withdrawn if necessary.

II. AMENDMENTS

Program amendments, which substantially alter the LCDBG project from that approved in the original application, shall not be submitted to the State without holding one public hearing in accordance with the procedures outlined within this Citizen Participation Plan. Minutes of the hearing will be submitted with the request for the amendment. All interested citizens, particularly the low and moderate income, elderly, handicapped, and residents of the project area, shall be made aware and have the opportunity to comment on proposed amendments and/or submit alternative measures.

III. GRANTEE PERFORMANCE

The _____ will hold one performance hearing to solicit the public's opinion of the effectiveness of the LCDBG Program. The manner of notification will be the same as previously described for all public hearings. Notification will be made in the official journal approximately _____ calendar days prior to the anticipated submittal of close-out documents to the State, and will indicate the date, time, and place of the performance hearing, and invite comments and opinions on the LCDBG activities implemented under the _____ LCDBG Program being closed out. The notice will also state that accommodations will be made for disabled and non-English speaking persons provided a _____ day notice is received by the _____.

This notice shall invite all interested parties, particularly those low to moderate income residents in the target area to attend.

The hearing will be held no sooner than five calendar days from the publication date of said notice.

CONSIDERATION OF OBJECTION TO APPLICATION

Persons wishing to object to approval of an application by the State may make such objection known to:

Office of Community Development
Division of Administration
Post Office Box 94095
Baton Rouge, Louisiana 70804-9095

The State will consider objections made only on the following grounds:

- 1) The application description of needs and objectives is plainly inconsistent with available facts and data;
- 2) The activities to be undertaken are plainly inappropriate to meeting the needs and objectives identified by the applicant; and
- 3) The application does not comply with the requirements set forth in the Final Statement or other applicable laws.

Such objections should include both an identification of the requirements not met and, in the case of objections relative to (1) above, the complainant must supply the data upon which he/she relied upon to support his/her objection.

BILINGUAL

Whenever a significant number of persons and/or residents of blighted neighborhoods communicate with a primary language other than English attend public hearings, the _____ will provide a interpreter for dissemination of information to them providing the _____ is given sufficient notification of _____ day(s).

TECHNICAL ASSISTANCE

Technical assistance may be provided directly by the _____ to any citizen, particularly to low and moderate income persons, residents of blighted neighborhoods and minorities, who request assistance in the development of proposals and statement of views concerning the LCDBG Program. The local officials, administrator and engineer will conduct informational meetings with the residents of the low to moderate income areas if a written request is received by the _____ with at least a one week notification. The persons who conducts the technical assistance meetings will disseminate information on the program and answer all pertinent questions.

TIMELY ACCESS AND ADEQUATE INFORMATION

The _____ shall provide timely disclosure of records, information and documents related to the LCDBG program activities. Documents will be made available for copying upon request at the _____, Monday thru Friday, _____ a.m. to _____ p.m. Such documents may include the following:

- 1) All meetings and promotional materials.
- 2) Records of hearings and meetings.
- 3) All key documents, including prior applications, letters, grant agreements, citizen participation plans, and proposed applications.
- 4) Copies of the regulations (final statements) concerning the program.
- 5) Documents regarding other important requirements, such as Procurement Procedures, Fair Housing, Equal Employment Opportunity, Uniform Act, Labor Provisions and Environmental Procedures.

CITIZEN COMPLAINT PROCEDURE

SECTION 1

It is the policy of the (local governing body) to review all complaints received by the (local governing body.)

SECTION 2

The following procedures will be followed on all complaints received by the (local governing body):

- 1) The complainant shall notify the (designated local official) of the complaint. The initial complaint may be expressed orally or by written correspondence.
- 2) The (designated local official) will notify the Mayor or designated representative of the complaint within _____ working days.
- 3) The Mayor or designated representative will investigate the complaint and will report the findings to the (designated local official) within _____ working days.
- 4) The (designated local official) will notify the complainant of the findings of the Mayor or designated representative in writing or by telephone within _____ working days.
- 5) If the complainant is aggrieved by the decision, he must forward the complaint in writing (if previously submitted orally) to the (designated local official) who will forward the complaint and all actions taken by the Mayor or designated representative to the appropriate council committee for their review. This will be accomplished within _____ working days of receipt of the written complaint.
- 6) The reviewing council committee will have _____ working days to review the complaint and forward their decision to the complainant in writing.
- 7) If the complainant is aggrieved with the decision of the Committee, he must notify the (designated local official) in writing that he desires to be afforded a hearing by the (local governing body) Council. The complainant will be placed on the next regularly scheduled council meeting agenda. The (designated local official) will notify the complainant in writing of the date of the hearing.

- 8) The complainant must bring all relevant data, witnesses, etc., to the hearing. The (local governing body) Council, at the hearing, will review

the complaint and forward within _____ days a certified copy of the minutes of the meeting at which the hearing was conducted and a decision was rendered to the complainant. If a decision is not reached at the hearing, the (local governing official) Council will inform complainant of an appropriate date to expect a response. Within _____ working days of reaching a decision, the complainant will be notified in writing of the decision.

Complaints concerning the general administration of the LCDBG Program may be submitted in writing directly to the:

Division of Administration
Office of Community Development
Post Office Box 94095
Baton Rouge, Louisiana 70804-9095

SECTION 3

All citizen complaints relative to Fair Housing/Equal Opportunity violations alleging discrimination shall be forwarded for disposition to the:

Louisiana Department of Justice
Public Protection Division
Post Office Box 94005
Baton Rouge, Louisiana 70804

The complainant will be notified in writing within 10 days that, due to the nature of the complaint, it has been forwarded to the Louisiana Department of Justice.

or

Complainant may contact the Louisiana Department of Justice, Public Protection Division directly at the Toll Free Telephone number 1-800-273-5718 or 225-342-5521.

SECTION 4

The (designated local official) will maintain a file for the purpose of keeping reports of complaints.

SECTION 5

This policy does not invalidate nor supersede the personnel or other policies of the (local governing body) which are currently adopted, but is intended to serve as a guide for complaints.

SECTION 6

This policy may be amended by a majority vote at any of the _____
regularly scheduled meetings.

ADOPTION

This Citizen Participation Plan is hereby adopted by _____
in regular session on this _____ day of _____, 200____.

WITNESS

CHIEF ELECTED OFFICIAL

SAMPLE PUBLIC NOTICE

Public Hearing

Village of _____, Louisiana

The Village of _____ will hold a public hearing at _____ p.m. on _____, 2005 at the _____ Village Hall. The purpose of the meeting is to obtain views on the housing and community development needs of the Village and to discuss the submission of an application for funding under the State of Louisiana FY 2006/2007 Community Development Block Grant (LCDBG) Program. The following items will be discussed at the hearing:

- A. The amount of funds available for proposed community development and housing activities;
- B. The range of activities available that may be undertaken, including the estimated amount of funds proposed to be used for activities that will benefit persons of low and moderate incomes;
- C. The plans of the Village for minimizing displaced persons as a result of activities assisted with such funds and the benefits to be provided by the Village to persons actually displaced as a result of such activities; and
- D. The Village's past performance on LCDBG projects funded by the State of Louisiana.

All residents, particularly low and moderate income persons and residents of slum and blighted areas of the Village of _____ are encouraged to attend this meeting.

Accommodations will be made for persons with disabilities and non-English speaking individuals provided that three day notice of received by the Village.

Those citizens unable to attend this hearing may submit their views and proposals until _____, 2005 in writing to:

Village of _____
Post Office Box _____
_____, Louisiana _____
_____, Mayor

SAMPLE PUBLIC NOTICE

LCDBG Application Available for Review

The Village of _____ announces that an application for the FY 2006/2007 Louisiana Community Development Block Grant (LCDBG) funds will be submitted for the following:

Activity: LCDBG funds will be used to _____
Objective: To provide adequate service for low-moderate income residents of the Village of _____
Location: The target area consists of _____
Amount: (List each activity and the amount)

All citizens, particularly persons of low and moderate income and residents of blighted areas, are encouraged to submit their views and proposals by (insert date, this date must allow for a review period of a minimum of seven days prior to application submittal) to the Mayor at the following address:

Office of the Mayor
Village of _____
Post Office Box _____
_____, Louisiana _____
Telephone: _____

The application is to be submitted to the State's Office of Community Development on or about (insert date application will be submitted). A copy of the application will be available for review at the Village Hall between the hours of (insert hours Village Hall is open for business) on (insert the days of the week the application will be available for review).

III. PROJECT SELECTION PROCESS

III. PROJECT SELECTION PROCESS

Preliminary Review

The LCDBG Staff will review each application to determine the following:

1. Timeliness of Submission – Applications that are postmarked after the deadline date will be returned to the applicant unopened and **will not be considered for funding**.
2. Completeness of the Application – Applications will be reviewed for completeness. Failure to include all forms or the inclusion of incomplete forms may result in a lower overall score.

If the determination is made during the review that the application did not contain items necessary to accurately rate the application, did not include all required forms, involved a local survey that was not conducted on a random or representative basis, or was poorly packaged, etc., then a letter detailing the inadequacies of the application will be sent to the applicant. If the next housing or public facility application submitted by the local governing body is also deemed inadequate, then a point(s) or fraction thereof may be deducted from the overall score assigned to that subsequent application. This procedure applies to all types of applications, including those that may or may not be funded.

3. Activity Eligibility – State staff will review each proposed activity to determine that it is an eligible activity that meets one of the two national objectives identified on page 3 of this application package. **Ineligible activities will not be rated.**

Applicant Selection

Description of Rating Procedures After preliminary review, all public facilities applications that meet the threshold criteria described in Chapter II of this application package will be rated/scored according to the rating criteria described in the State's Proposed FY 2006 Consolidated Annual Action Plan which is located in Chapter IX.

The Office of Community Development will not enter rating data from any applications that do not meet the threshold criteria identified in Chapter II of this application package as of December 16, 2005. Therefore, those applications will not be in consideration for funding for the FY 2006 program year. For the second year of the funding cycle, FY 2007, the Office of Community Development will enter rating data from any applications that meet the threshold criteria as of December 15, 2006. This may cause a change in the points awarded under the cost effective criteria; the points awarded under cost effectiveness is relative to the other applications that are being considered. Since additional applicants may meet the threshold criteria for FY 2007, there may be changes in the points awarded under cost effectiveness and in the ranking of the projects.

Scoring and Site Visits Community Center applications will be assigned raw scores, then ranked highest to lowest. After ranking, the State may select some of the highest rated applicants and conduct a site visit. Site visits will verify the information provided in the

application. If a site visit discloses information conflicting with that included in the application or the intent of the program, the State will exercise administrative discretion in making the determination as to whether or not the application will receive further consideration, or an adjustment to the score and/or the application itself. Selected applicants *may* be contacted by telephone to arrange a time to visit and to identify items the State will review while on site. Items not specifically mentioned during this phone call may be reviewed during the site visit.

Summary of Rating Criteria

Percent of Low/Mod Income Persons -----	1 point(s)
Cost Effectiveness -----	10
Frequency of Services -----	10
Number of Service Providers-----	10
Proximity of Services-----	5
Plans and Specs -----	1
Renewal Community -----	1
Total Points for the Rating of a Community Center-----	38 points

Percent of Low/Mod Income Persons (1 point) To be eligible for community center funding, the target area and/or persons to whom services will be provided must be comprised of at least fifty-one percent of LMI (Low and Moderate Income) persons. Community center applications with target areas or limited clientele activities having at least sixty percent LMI persons will receive one point.

Cost Effectiveness (10 points) The amount of funds requested divided by the total number of beneficiaries will yield the cost per person benefiting. The applicant with the lowest cost per person benefiting will receive the full ten points for Cost Effectiveness. The remainder of the applications will receive (reduced) scores which are relative to the best score.

Frequency of Services (10 points) Frequency of Services is based on how often a service will be offered—whether on a full time daily basis, part time daily basis, or less than daily.

Number of Service Providers (10 points) The number of service providers will be taken into consideration when assigning these points. Generally, the more service providers the higher the score. All recreational activities, regardless of the number of service providers, will be considered as only one provider.

Proximity of Services (5 points) For each services provider that will be housed in the community center, the applicant has to identify the location at which those services are now provided and identify the distance in mileage from the proposed community center. Those applicants proposing services that are not currently being provided within the proposed target area will score the highest.

For those municipalities or parishes that already have a community center(s) but may be requesting funds for another community center, a specific target area for the provision of services at the proposed community center within the boundaries of the corporate limits must be identified. Keep in mind that persons living outside a twenty mile radius of the proposed community center cannot be counted as beneficiaries

Plans and Specs (1 point) Those applicants which agree to pay all architectural and engineering costs will receive one point.

Renewal Community (1 point) If the entire target area(s) is located within a federally designated Renewal Community the applicant will receive one point.

Tie Breaker If two or more applications receive the same score the application with the highest percentage of LMI persons will be funded.

Appeals

Applicants may meet with State staff to review their application and program scores any time after grant awards have been announced. When an applicant requests an appeal, the following procedures apply:

1. Appeals will be granted only on the basis of miscalculation of numerical factors.
2. Applicants must submit a written request for an appeal within ten working days after notice of denial is received.
3. The State will respond in writing to appeal requests within ten working days.

Complaint Procedures

Persons wishing to object to the approval of an application by the State may make such objection known to the Office of Community Development, Division of Administration. The State will consider objections made only on the following grounds:

1. The applicant's description of needs and objectives is plainly inconsistent with available facts and data;
2. The activities to be undertaken are plainly inappropriate in meeting the needs and objectives identified by the applicant; and
3. The application does not comply with the requirements set forth in the FY 2006 and FY 2007 Action Plans or other applicable laws.

All complaints of this nature must be submitted to the Office of Community Development in writing. Such complaints must specifically identify the grounds upon which the complaint is being made. All objections must be supported by data to document the allegation.

Definition of a Limited Clientele Activity A Limited Clientele Activity is an activity that provides benefits to a specific group of persons rather than to all persons in a target area. Some applications may have only Limited Clientele activities and would report beneficiaries in a special way tailored to Limited Clientele beneficiaries as discussed on pages 111 through 114.

Limited Clientele Requirements If one of the following tests are passed the applicant can deem an activity as Limited Clientele.

1. Exclusive benefit the following types of persons who are generally presumed by HUD to be principally L/M income persons. Such groups include the following
 - Abused Children
 - Elderly Persons
 - Battered spouses
 - Homeless persons
 - Severely disabled adults
 - Illiterate adults
 - Persons with AIDS
 - Migrant farm workers
2. Information on family size and income will be maintained which will indicate that at least fifty-one percent of the persons who receive the service are of LMI income status.
3. The Community Center must be of such a nature and located in such a location that it may reasonably be concluded that the persons benefiting will primarily be LMI income persons.

Record Keeping Requirements for Limited Clientele Some applicants will have a mixture of service providers—some will be Limited Clientele while others will be target-area-wide service providers. If there is at least one service provider that offers services throughout the entire target area then reporting of beneficiaries must be done based on Census Data for the target area and/or, if necessary, local surveys. None of the service providers will be required to maintain income data proving LMI status since the census data will provide such evidence.

However, if all activities are Limited Clientele, then an applicant must report beneficiaries using the Limited Clientele method.

If an applicant will be considering all services to be provided as Limited Clientele services, some of which would be based on test number 2 above, then the service providers who qualify under test number 2 must agree to obtain and maintain income status information proving at least fifty-one percent LMI status.

**IV. PROCUREMENT PROCEDURES FOR THE SELECTION
OF ADMINISTRATIVE CONSULTING AND
ENGINEERING/ARCHITECTURAL SERVICES**

PROCUREMENT PROCEDURES FOR THE SELECTION OF ADMINISTRATIVE CONSULTING AND ENGINEERING/ARCHITECTURAL SERVICES

It is permissible for local governing bodies to use their own staff to administer the LCDBG Program. For those not choosing to do so, applicants will need to procure professional services, such as an administrative consultant or engineer, to assist in the development of an application. 24 CFR 85.36 describes the standards you must meet in securing professional services. These regulations are included in this package. If an applicant intends to use local funds to pay for such services, then the LCDBG procurement procedures do **not** apply. In order to use LCDBG funds to pay for such services (including pre-agreement costs), the following requirements apply:

1. The application must be funded under the FY 2006 or FY 2007 LCDBG Program year;
2. The LCDBG procurement procedures must have been followed in the procurement of the engineering/architectural and/or administrative consulting firm; and
3. All tasks and corresponding costs must be identified in a written contract between the firms and the local governing body.

Failure to follow the LCDBG procurement procedures could result in disallowed costs.

Applicants for LCDBG funds shall procure their administrative consultant and engineering/architectural firms prior to the application preparation stage. Any procurement procedures undertaken prior to the first public hearing held in conjunction with the application development will **not** be accepted as being in compliance with LCDBG program requirements. Any steps taken prior to the first public hearing could result in disallowed costs. **No services other than administrative consulting, engineering, or architectural can be procured until after a grant has been awarded by the State.** Within the ceiling amounts, the State will allow applicants to request funds for the reimbursement of pre-agreement costs (application preparation fees). In order to be eligible for the reimbursement of these costs, the requirements listed above must be met. Only those local governing bodies that receive grant awards will be reimbursed for pre-agreement costs.

Again, the first public hearing must be held prior to initiating the procurement procedures. This will enable the local governing body to determine what professional services will be needed for the application (i.e. engineer for sewer or water).

Procurement Policy

24 CFR 85.36 describes the standards you must meet in securing contract services (i.e. professional, construction, and/or supplies). All local governing bodies that receive LCDBG funds must have a written and adopted procurement policy that contains all items required by 24 CFR 85.36 and the LCDBG Program.

The Grantee's procurement policy must address the following items.

1. A code of conduct that specifically prohibits elected officials, staff, or agents from personally benefiting from LCDBG procurement. The policy should prohibit the solicitation or acceptance of favors or gratuities from contractors or potential contractors. Sanctions or penalties for violations of the code of conduct by either Grantee officials, staff or agents, or by contractors or their agents must be identified [24 CFR 85.36 (b)(3)].
2. Proposed procurements should be reviewed by staff to avoid unnecessary and duplicative purchases and to insure costs are "reasonable" [24 CFR 85.36 (b)(4)].
3. Positive efforts must be made to hire minority firms, women's business enterprises, and labor surplus firms by the Grantee and the project's prime contractor [24 CFR 85.36 (e)].
4. The method of contracting outlined in the policy should be acceptable (fixed price, cost plus fixed fee, purchase orders, etc.). Cost plus a percentage of cost contracts must be specifically prohibited if LCDBG funds are involved [24 CFR 85.36 (f)(4)].
5. Procedures to handle and resolve disputes relating to procurement actions of the Grantee [24 CFR 85.36 (b)(12)].
6. All procurement transactions, regardless of dollar amount, must be conducted so as to provide "maximum open and free competition" [24 CFR 85.36 (c)]. Some of the situations considered to be restrictive of competition include but are not limited to:
 - a. Placing unreasonable requirements on firms in order for them to qualify to do business,
 - b. Requiring unnecessary experience and excessive bonding,
 - c. Noncompetitive pricing practices between firms or between affiliated companies,
 - d. Noncompetitive awards to consultants that are on retainer contracts,
 - e. Organizational conflicts of interest,
 - f. Specifying only a "brand name" product instead of allowing an "equal" product to be offered and describing the performance of other relevant requirements of the procurement, and
 - g. Any arbitrary action in the procurement process.
7. Methods of procurement to be followed when purchasing materials and supplies or contracting for services [24 CFR 85.36 (d)]. The methods used to procure administrative consulting and/or engineering/architectural services are described below. The methods used when purchasing materials and supplies, procuring construction contractors, or contracting for professional services (other than administrative consulting and engineering/architectural services) will be discussed in detail in Section A of the FY 2006 and FY 2007 LCDBG Grantee Handbooks.

Although it is not required that applicants adopt such a policy prior to the receipt of LCDBG funds, the procurement of administrative consulting and engineering/architectural firms must

be in compliance with the State and Federal regulations governing the procurement of those professional services. However, if a local governing body wishes to adopt a procurement policy prior to grant award, then past procurement policies must be revised to reflect the current requirements for procuring professional services. The most recent sample procurement policy provided by the Office of Community Development is shown on pages 91 – 96.

24 CFR 85.36 (e) states that local governing bodies shall take necessary affirmative steps to ensure that minority firms, women's business enterprises, and labor surplus firms are used when possible. Grantees should include a statement encouraging these businesses to participate when advertising for procurement purposes, as well as mail copies of the solicitations to known businesses that qualify.

Conflicts of interest in the award and/or administration of contracts must be avoided. Any firm that hopes to enter into a contract with a local governing body must take care to divorce itself from the procurement process if the firm proposes to compete with other firms. Failure to do so will result in a potential or apparent conflict of interest. Conflicts of interest may be governed by federal, state, or local law or ordinance, including the State's "Code of Governmental Ethics". Among those Federal regulations with which the applicant must comply are the conflict of interest requirements in 24 CFR 570.611. These regulations are shown on pages 62 – 63.

Methods of Procurement

One of the following three methods must be employed when procuring administrative consulting and/or engineering/architectural services to be paid for with LCDBG funds.

1. Small Purchase – This method may be used to procure administrative consulting services costing less than \$100,000. Engineering/architectural services must be procured through competitive negotiation using "Qualification Statements". **The small purchase method cannot be used to procure engineering/architectural services.**

Small purchase is relatively simple whereby price or rate quotations are obtained (either by fax, telephone, or in writing) from a minimum of three sources. Three price or rate quotations must be obtained not just requested. A response of "not interested" from a source does not qualify as a price or rate quotation. It may be helpful to have a written scope of services in the event it is needed. The applicant must maintain documentation regarding the business contacted and the fee quoted for the services. Upon receiving the price quotations, the local governing body must maintain written documentation regarding the basis for selection.

2. Competitive Negotiation – This procedure must be followed when the professional fees to be charged exceed \$100,000, for procuring engineering/architectural services, or if the applicant chooses not to follow the small purchase procedure for procuring administrative consulting services. Competitive negotiation is initiated by requesting either qualification statements or proposals. Proposals must be

requested for procuring administrative consulting services and qualification statements must be requested for procuring engineering/architectural services.

The local governing body must solicit either requests for proposals or requests for qualification statements by advertising in a newspaper in the nearest metropolitan statistical area (MSA). The advertisement should indicate that the local governing body is submitting an application for LCDBG funds and the specific type of professional services that are being procured. The advertisement should list the locations and times where a package outlining the scope of services to be provided, minimum requirements, selection criteria, etc., can be obtained. Also, the deadline for the submittal of the proposal or qualification statement should be included in the advertisement. A sample advertisement requesting proposals is shown on page 64. This advertisement may be revised for requesting qualification statements.

The local governing body may publish one advertisement that requests proposals for procurement of administrative services and requests qualification statements for procurement of engineering/architectural services. The local governing body may hire the same firm to perform both duties, but it cannot **require** that one firm provide both types of services.

To assure “proposals will be solicited from an adequate number of qualified sources” [24 CFR 85.36 (d)(3)(ii)], local governing bodies must mail copies of the request for proposals as it will appear in the newspaper to a minimum of three firms that provide administrative consulting services. This must be done in addition to the publication of the request in the newspaper.

The proposal or qualification statement package should include the following information:

- a. A cover letter from the local governing body signed by the chief elected official.
- b. A detailed scope of services identifying the services to be rendered.
- c. Name of contact person with the local governing body.
- d. Deadline date and location for submittal of proposal or qualification statement.
- e. Selection criteria and the corresponding point system that will be used to rate the proposals or qualification statements received. The selection criteria may not be changed once the package has been issued. A criterion **must** be identified as a tiebreaker when using an “all or none” point system. The State recommends that a tiebreaker be identified for all point systems although it is not required except for the instance previously identified.
- f. Statement that payment for all costs associated with the preparation of the application is contingent upon funding by the State. Statement that funds for the implementation of the project are contingent upon the award of LCDBG funds by the State. Statement that the amount of

funds available for the contract will be subject to LCDBG restrictions and approval.

A sample package (without cover letter) of a request for proposals to procure administrative consulting services, and a sample package (without cover letter) of a request for qualification statements to procure engineering/architectural services is shown on pages 65 – 69.

Written results of the evaluations must be maintained as part of the documentation of the procurement process. If only one proposal/qualification statement is received, then it must be evaluated in accordance with the selection criteria in order to determine that the minimum requirements are met. The State recommends the applicant compose a committee (at least three members) of persons who have knowledge of the type of project for which funds are being requested. Those persons should have no potential conflicts of interest with any of the firms or individuals under review.

a. Request for Proposals – Administrative Consulting Services

The applicant must prepare a request for proposal that details the type of services that are needed and the selection criteria against which all responding proposals will be evaluated. Cost must be one of the selection criteria used to evaluate the proposals received and must be a **minimum of ten percent of the total possible points identified. Also, geographical preference may not be used as a selection criterion in accordance with federal regulations.**

There are two procedures that can be used to review responding proposals. The procedure that the applicant chooses to follow must be identified in the request for proposals. Neither the procedure nor the selection criteria can be changed once the proposal package has been issued. The two procedures are:

- i. Establish a predetermined competitive range of points for proposals that would be considered to qualify for the job. All firms whose proposals scored within that range would be invited to an oral interview and asked to submit a “best and final offer”. The proposals would be re-evaluated and the highest scoring firm would be chosen.
- ii. Evaluate the proposal according to the selection criteria and award the contract to the highest scoring firm.

Please be advised that including the experience and background of other firms when responding to a request for proposals under the LCDBG Program is not acceptable and will result in disallowed costs except when the following conditions are met:

- i. **There must be a written contractual relationship between the two firms that specify the services that will be provided by the subcontractor; and**
- ii. **The fees paid to the subcontractor must account for at least twenty-five percent of the total contract (excluding pre-agreement costs) between the prime firm and the local governing body.**

b. Request for Qualification Statements – Engineering/architectural Services

Request for Qualification Statements must be used when selecting engineering/architectural services. A selection is made based on the competitors' qualifications, subject to negotiation of fair and reasonable compensation. **Cost cannot be an initial selection criterion. This method cannot be used to procure any services other than engineering/architectural services.** An engineering/architectural firm may be procured to perform administrative tasks, but the request for proposal procedure must be utilized to procure administrative services.

The qualification statements received must be evaluated by the selection criteria identified in the request for qualification statements package. Once the top ranked firm has been identified, the local governing body should negotiate costs with the firm.

3. Non-competitive Negotiation – This method may be used in situations that are declared emergency projects by the State's Office of Community Development or when utilizing a regional planning district or area-wide planning agency. Any services to be procured by this method must be approved in writing by the State prior to such procurement, with the exception of utilizing a regional planning district or area-wide planning agency for administrative services. It has been determined by the U. S. Department of Housing and Urban Development that it is permissible for local governing bodies to obtain administrative consulting services through "non-competitive negotiation" directly with a state or area-wide planning agency on a non-profit basis. The contract between the local governing body and the planning district or agency must provide for compensation on a "cost reimbursement" rather than a "fixed fee" basis.

Local governing bodies that choose to use a planning agency for administrative consulting services must maintain the following documentation:

- a. The rationale for the method of procurement used,
- b. The reasoning behind the selection of contract type, and
- c. A cost analysis to determine if the cost is reasonable (the cost and price detail form shown on page 70 should be used for this purpose). The planning district or agency must provide this information to the local governing body prior to the final negotiation of the contract in order for the local governing body to make the determination concerning cost reasonableness.

Preparation of Contract

The local governing body must perform some form of cost or price analysis in connection with every contract awarded with LCDBG funds. The cost/price detail summary form which is shown on page 70 can be used for this purpose. Generally, administrative consulting contracts are cost reimbursement (cost plus fixed fee) contracts where the firm is paid on the basis of costs incurred, overhead, other direct costs, and a fixed fee. Basic engineering/architectural and design contracts should be lump sum contracts where the firm is paid on the basis of work completed. The cost plus a percentage of cost and percentage of construction cost method of contracting shall not be used.

The State allows applicants to request funds for pre-agreement and administrative costs; the maximum amounts that can be requested are identified in the Proposed FY 2006 Consolidated Annual Action Plan. An excerpt from the Proposed FY 2006 Consolidated Annual Action Plan is located in Chapter IX of this package which describes the amounts allowable for administrative services and pre-agreement costs. The local governing body **may** (but is not required to) retain up to five percent of the funds allowed for overall program administration to cover its costs of administering the LCDBG Program. Such expenses may include workshop expenses, travel, staff, legal fees, bonding fees, advertising fees, audit fees, and costs associated with Section 504 compliance. Prior to negotiating the administrative contract, you should determine the general local government expenses that can be expected as a result of administering the program and retain those funds accordingly.

Engineering/architectural fees and pre-agreement costs may also be requested within the ceiling amounts. The amount of funds that can be requested are identified in the Proposed FY 2006 Consolidated Annual Action Plan. If, after a project has been funded, the scope of the project changes significantly, the State will make a determination as to the actual amount that will be allowed for engineering/architectural costs. This determination will be made on a case-by-case basis.

The contract must identify the fees to be charged for each type of service. For example, the administrative consultant's contract must identify the pre-agreement costs separately from overall program administration costs. The engineer's or architect's contract must identify the individual charges for pre-agreement costs, basic services, inspections, surveying, testing, sanitary sewer evaluation survey, et cetera. The contract must identify a maximum amount to be paid for additional services such as testing and/or sanitary sewer evaluation survey; however, the State will only pay the actual invoice amount from the firm performing the corresponding service.

If the local governing body is not funded under the FY 2006 or FY 2007 LCDBG Program, the State will not be liable for any expenditures incurred by the local governing body. The procurement procedures undertaken for the FY 2006 - FY 2007 LCDBG Program will not be considered as meeting the procurement requirements of any other funding years; nor will any procurement procedures undertaken for previous program years be considered as meeting the procurement requirements for the FY 2006 - FY 2007 Program years. Following grant award, the State will advise the recipients of the amount of LCDBG funds that will be allowed for administrative consulting and/or

engineering/architectural fees. Therefore, the amount of the contract to be payable with LCDBG funds between the local governing body and the administrative consulting firm and/or the engineering or architectural firm will be contingent upon the amount of funds which are awarded/allowed by the LCDBG Program. If the local governing body cannot or does not intend to supplement the LCDBG funds allowed for administrative and engineering/architectural fees, the selected firm must be made aware that the contracted amount for services to be rendered is subject to the availability and allowance of LCDBG funds.

If the local governing body is eligible and intends to submit two applications, the local governing body must decide if it wants to procure the same firms for both applications or to procure different firms for each application. If the same firms are hired for both applications, then it is recommended that separate contracts be prepared to correspond to each application; please keep in mind that neither of the applications may be funded or one or both of the applications may be funded.

The following stipulations must be included in administrative contracts: i) all of the services to be performed (including the submittal of close-out documents) will be completed within the thirty-six month period covered by the recipient's contract with the State, ii) ten percent of the overall program administrative contract amount will be retained by the local governing body until that body has received acceptance/approval of the closeout documents by the State, i.e., conditional closeout, iii) the contract conditions will be cleared within six months of the date of the "authorization to incur costs" letter that the OCD sends to the local governing body following the grant award, and iv) the separate amounts to be charged by the firm for application preparation and overall program administration.

The following stipulations must be included in the engineering/architectural contracts: i) the plans and specifications must be completed within six months of the date of the "authorization to incur costs" letter, ii) the advertisement to solicit bids for the construction contract must be published within thirty days of the "authorization to advertise for bids" letter issued by the OCD, and iii) the separate amounts to be charged by the firm for pre-agreement and other services provided by the firm.

A sample contract for administrative consulting services is shown beginning on page 75. While many engineering or architectural firms may choose to use the Standard Form of Agreement Between Owner and Engineer for Professional Services, or the Standard Form of Agreement Between Owner and Architect, others may use a different contract. Regardless of the contract being used, the terms and conditions shown as Part II of the sample contract shown on pages 82 – 90 for professional services must be made a part of the engineering/architectural contract if LCDBG funds are used to pay for these services.

The form of contract for engineering/architectural services should include adequate descriptions and explanations of the services that the engineer/architect is to provide (both basic and additional), the local governmental body's responsibilities, times for rendering services, payments to engineer, opinions of cost, general considerations, definitions, special provisions, payment schedules, and appropriate exhibits. Any standard engineering/architectural contract shall be modified to include LCDBG requirements.

Requirements for the LCDBG program that must be addressed in the engineering/architectural contracts being paid for with LCDBG funds are:

1. The basis of payment to the engineer/architect cannot be cost plus a percentage of cost or a percentage of construction cost.
2. Payment is subject to the availability of FY 2006 or FY 2007 LCDBG funds from the State. It is understood that the amount of funds available for engineering/architectural services is contingent upon the amount of LCDBG funds allowed by the State for engineering/architectural services. LCDBG funds will only be used for pre-agreement services and engineering/architectural services which are provided following the local governing body's receipt of a grant award and an "Authorization to Incur Costs" letter from the State's Office of Community Development. If the engineering/architectural firm plans to charge for application preparation, the fees for that task must be identified separately. If the local governing body does not receive funding under the FY 2006 – FY 2007 LCDBG Program years, the engineering/architectural firm will not be entitled to any compensation for any services rendered and the engineering/architectural contract should be terminated.
3. Engineering/architectural plans and specifications must be completed within six months of the local governing body's receipt of an "Authorization to Incur Costs" letter. For projects which are not subject to approval by DHH (streets and fire stations), a set of final plans and specifications and a copy of the final cost estimate must be submitted to the Office of Community Development for review within the six month period. For projects which are subject to approval by DHH (sewer collection, sewage treatment, and potable/fire protection water systems), a set of plans and specifications shall be submitted to DHH for approval and a copy of the plans and specifications along with a copy of the final cost estimate shall be submitted to the Office of Community Development for review within the six month period. If, at the end of the six month calendar period, the plans, specifications, and cost estimate have not been submitted as specified above, \$250 per working day will be deducted from the amount of LCDBG funds payable to the engineer/architect for basic services. The State reserves the right to grant an extension where the reasons for not meeting the required time frame were clearly beyond the control of the engineer/architect.
4. The first advertisement to solicit bids for the construction contract must be published within thirty days of the "authorization to advertise for bids" given by the State for all public facilities projects. Failure to comply with this requirement will result in an assessment of \$250.00 per working day. The \$250 will be deducted from the amount of LCDBG funds payable to the engineer/architect for basic services. The State reserves the right to grant an extension where the reasons for not meeting the required time frame were clearly beyond the control of the engineer/architect.
5. The terms and conditions shown in the sample contract for professional services (Part II) must be revised to refer to the engineer/architect and must also be included as a part of the engineering/architectural contract.

It is *recommended* that the local governing body have its attorney review the contracts prior to execution.

Contractor Clearance

If a local governing body is successful in receiving a grant award, contractor clearance will have to be obtained from the Office of Community Development on all administrative consulting and engineering/architectural firms that have not provided services to grant recipients under the LCDBG Program within the previous five program years, regardless if local or LCDBG funds will be used to pay for the services. Such clearance must be obtained immediately following the grant award by the State and before any costs, other than pre-agreement costs, are incurred. Firms that have participated in the LCDBG Program within the previous five program years do not require contractor clearance. As an example, a firm that will provide services to a local governing body under the FY 2006 LCDBG Program must have provided services to a local governing body receiving a grant under the FY 2001, FY 2002, FY 2003, FY 2004, or FY 2005 LCDBG program years; if not, the contractor clearance must be requested from the Office of Community Development.

Summary of the Procurement Process

The following provides a brief chronological summary of the steps that are to be followed when procuring administrative consulting and engineering/architectural services.

1. The local governing body may or may not choose to prepare and adopt a written procurement policy pertaining to the procurement of professional services for the LCDBG Program prior to the submittal of the application. In either case, the procurement of the administrative consulting and engineering/architectural firms must be in accordance with the LCDBG Program procedures. If the local governing body is successful in having an application funded, LCDBG funds cannot be used to pay for services rendered under any administrative consulting or engineering/architectural contracts that were **not** procured in accordance with the LCDBG program requirements.
2. The local governing body must hold its public hearing for the purpose of receiving citizen input regarding the type of project for which funds will be applied.
3. After the local governing body has decided on a potential project, it must determine which type(s) of professional services will be needed - administrative consulting and/or engineering/architectural.
4. Procure the required professional services through small purchase, competitive negotiation, or non-competitive negotiation.
5. Prepare and enter into contract with the selected firms with the understanding that (a) **the State shall not be liable for any expenditures incurred by the local governing body if the local governing body is not funded under either the FY 2006 or FY 2007 LCDBG Programs and** (b) the amount of LCDBG funds available to pay for the contracted services is subject to the availability and allowance determined by the State. The contract must identify the specific amounts being charged for the services rendered. It must be stipulated in the appropriate contracts that engineering/architectural plans and specifications will be prepared and the contract conditions will be cleared within six months of the "authorization to incur costs" letter. Also, the first advertisement to solicit bids

for the construction contract must be published within thirty days of the “authorization in advertise for bids” given by the State for all public facilities projects. Failure to comply with this requirement will result in an assessment of \$250.00 per working day. The \$250 will be deducted from the amount of LCDBG funds payable to the engineer/architect for basic services.

6. If the local governing body is successful in receiving a grant award, contractor clearance will have to be obtained from the State immediately following grant award for those firms that have not participated in the implementation of an LCDBG Program within the previous five program years. The State will not issue this clearance during the application stage.
7. Following the selection of the administrative consulting and/or engineering/architectural firm(s), the local governing body will prepare its application and publish a public notice advising the public of the project for which funds are being requested.

PROCUREMENT

TITLE 24--HOUSING AND URBAN DEVELOPMENT

PART 85--ADMINISTRATIVE REQUIREMENTS FOR GRANTS AND COOPERATIVE AGREEMENTS TO STATE, LOCAL AND FEDERALLY RECOGNIZED INDIAN TRIBAL GOVERNMENTS--Table of Contents

Subpart C--Post-Award Requirements

Sec. 85.36 Procurement.

(a) States. When procuring property and services under a grant, a State will follow the same policies and procedures it uses for procurements from its non-Federal funds. The State will ensure that every purchase order or other contract includes any clauses required by Federal statutes and executive orders and their implementing regulations. Other grantees and subgrantees will follow paragraphs (b) through (i) in this section.

(b) Procurement standards.

(1) Grantees and subgrantees will use their own procurement procedures which reflect applicable State and local laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in this section.

(2) Grantees and subgrantees will maintain a contract administration system which ensures that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.

(3) Grantees and subgrantees will maintain a written code of standards of conduct governing the performance of their employees engaged in the award and administration of contracts. No employee, officer or agent of the grantee or subgrantee shall participate in selection, or in the award or administration of a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when:

- (i) The employee, officer or agent,
- (ii) Any member of his immediate family,
- (iii) His or her partner, or
- (iv) An organization which employs, or is about to employ, any of the above, has a financial or other interest in the firm selected for award. The grantee's or subgrantee's officers, employees or agents will neither solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to subagreements. Grantee and subgrantees may set minimum rules where the financial interest is not substantial or the gift is an unsolicited item of nominal intrinsic value. To the extent permitted by State or local law or regulations, such standards or conduct will provide for penalties, sanctions, or other disciplinary actions for violations of such standards by the grantee's and subgrantee's officers, employees, or agents, or by contractors or their agents. The awarding agency may in regulation provide additional prohibitions relative to real, apparent, or potential conflicts of interest.

(4) Grantee and subgrantee procedures will provide for a review of proposed procurements to avoid purchase of unnecessary or duplicative items. Consideration should be given to consolidating or breaking out procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach.

(5) To foster greater economy and efficiency, grantees and subgrantees are encouraged to enter into State and local intergovernmental agreements for procurement or use of common goods and services.

(6) Grantees and subgrantees are encouraged to use Federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.

(7) Grantees and subgrantees are encouraged to use value engineering clauses in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reductions. Value engineering is a systematic and creative analysis of each contract item or task to ensure that its essential function is provided at the overall lower cost.

(8) Grantees and subgrantees will make awards only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.

(9) Grantees and subgrantees will maintain records sufficient to detail the significant history of a procurement. These records will include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.

(10) Grantees and subgrantees will use time and material type contracts only--

(i) After a determination that no other contract is suitable, and

(ii) If the contract includes a ceiling price that the contractor exceeds at its own risk.

(11) Grantees and subgrantees alone will be responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to source evaluation, protests, disputes, and claims. These standards do not relieve the grantee or subgrantee of any contractual responsibilities under its contracts. Federal agencies will not substitute their judgment for that of the grantee or subgrantee unless the matter is primarily a Federal concern. Violations of law will be referred to the local, State, or Federal authority having proper jurisdiction.

(12) Grantees and subgrantees will have protest procedures to handle and resolve disputes relating to their procurements and shall in all instances disclose information regarding the protest to the awarding agency. A protestor must exhaust all administrative remedies with the grantee and subgrantee before pursuing a protest with the Federal agency. Reviews of protests by the Federal agency will be limited to:

(i) Violations of Federal law or regulations and the standards of this section (violations of State or local law will be under the jurisdiction of State or local authorities) and

(ii) Violations of the grantee's or subgrantee's protest procedures for failure to review a complaint or protest. Protests received by the Federal agency other than those specified above will be referred to the grantee or subgrantee.

(c) Competition.

(1) All procurement transactions will be conducted in a manner providing full and open competition consistent with the standards of Sec. 85.36. Some of the situations considered to be restrictive of competition include but are not limited to:

(i) Placing unreasonable requirements on firms in order for them to qualify to do business,

- (ii) Requiring unnecessary experience and excessive bonding,
- (iii) Noncompetitive pricing practices between firms or between affiliated companies,
- (iv) Noncompetitive awards to consultants that are on retainer contracts,
- (v) Organizational conflicts of interest,
- (vi) Specifying only a brand name product instead of allowing an equal product to be offered and describing the performance of other relevant requirements of the procurement, and
- (vii) Any arbitrary action in the procurement process.

(2) Grantees and subgrantees will conduct procurements in a manner that prohibits the use of statutorily or administratively imposed in-State or local geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference. Nothing in this section preempts State licensing laws. When contracting for engineering (A/E) services, geographic location may be a selection criteria provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.

(3) Grantees will have written selection procedures for procurement transactions. These procedures will ensure that all solicitations:

- (i) Incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description shall not, in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured, and when necessary, shall set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a brand name or equal description may be used as a means to define the performance or other salient requirements of a procurement. The specific features of the named brand which must be met by offerors shall be clearly stated; and

- (ii) Identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals.

(4) Grantees and subgrantees will ensure that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. Also, grantees and subgrantees will not preclude potential bidders from qualifying during the solicitation period.

(d) Methods of procurement to be followed.

(1) Procurement by small purchase procedures. Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the simplified acquisition threshold fixed at 41 U.S.C. 403(11) (currently set at \$100,000). If small purchase procedures are used, price or rate quotations shall be obtained from an adequate number of qualified sources.

(2) Procurement by sealed bids (formal advertising). Bids are publicly solicited and a firm-fixed-price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for

bids, is the lowest in price. The sealed bid method is the preferred method for procuring construction, if the conditions in Sec. 85.36(d)(2)(i) apply.

(i) In order for sealed bidding to be feasible, the following conditions should be present:

(A) A complete, adequate, and realistic specification or purchase description is available;

(B) Two or more responsible bidders are willing and able to compete effectively and for the business; and

(C) The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.

(ii) If sealed bids are used, the following requirements apply:

(A) The invitation for bids will be publicly advertised and bids shall be solicited from an adequate number of known suppliers, providing them sufficient time prior to the date set for opening the bids;

(B) The invitation for bids, which will include any specifications and pertinent attachments, shall define the items or services in order for the bidder to properly respond;

(C) All bids will be publicly opened at the time and place prescribed in the invitation for bids;

(D) A firm fixed-price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs shall be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and

(E) Any or all bids may be rejected if there is a sound documented reason.

(3) Procurement by competitive proposals. The technique of competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed-price or cost-reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids. If this method is used, the following requirements apply:

(i) Requests for proposals will be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals shall be honored to the maximum extent practical;

(ii) Proposals will be solicited from an adequate number of qualified sources;

(iii) Grantees and subgrantees will have a method for conducting technical evaluations of the proposals received and for selecting awardees;

(iv) Awards will be made to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered; and

(v) Grantees and subgrantees may use competitive proposal procedures for qualifications-based procurement of engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort.

(4) Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source, or after solicitation of a number of sources, competition is determined inadequate.

(i) Procurement by noncompetitive proposals may be used only when the award of a contract is infeasible under small purchase procedures, sealed bids or competitive proposals and one of the following circumstances applies:

(A) The item is available only from a single source;

(B) The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;

(C) The awarding agency authorizes noncompetitive proposals; or

(D) After solicitation of a number of sources, competition is determined inadequate.

(ii) Cost analysis, i.e., verifying the proposed cost data, the projections of the data, and the evaluation of the specific elements of costs and profits, is required.

(iii) Grantees and subgrantees may be required to submit the proposed procurement to the awarding agency for pre-award review in accordance with paragraph (g) of this section.

(e) Contracting with small and minority firms, women's business enterprise and labor surplus area firms.

(1) The grantee and subgrantee will take all necessary affirmative steps to assure that minority firms, women's business enterprises, and labor surplus area firms are used when possible.

(2) Affirmative steps shall include:

(i) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;

(ii) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;

(iii) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority business, and women's business enterprises;

(iv) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority business, and women's business enterprises;

(v) Using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce; and

(vi) Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (e)(2) (i) through (v) of this section.

(f) Contract cost and price.

(1) Grantees and subgrantees must perform a cost or price analysis in connection with every procurement action including contract modifications. The method and degree of analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point, grantees must make independent estimates before receiving bids or proposals. A cost analysis must be performed when the offeror is required to submit the elements of his estimated cost, e.g., under professional, consulting, and engineering/architectural services contracts. A cost analysis will be necessary when adequate price competition is lacking, and for sole source procurements, including contract modifications or change orders, unless price reasonableness can be established on the basis of a catalog or market price of a commercial product sold in substantial

quantities to the general public or based on prices set by law or regulation. A price analysis will be used in all other instances to determine the reasonableness of the proposed contract price.

(2) Grantees and subgrantees will negotiate profit as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed. To establish a fair and reasonable profit, consideration will be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work.

(3) Costs or prices based on estimated costs for contracts under grants will be allowable only to the extent that costs incurred or cost estimates included in negotiated prices are consistent with Federal cost principles (see Sec. 85.22). Grantees may reference their own cost principles that comply with the applicable Federal cost principles.

(4) The cost plus a percentage of cost and percentage of construction cost methods of contracting shall not be used.

(g) Awarding agency review.

(1) Grantees and subgrantees must make available, upon request of the awarding agency, technical specifications on proposed procurements where the awarding agency believes such review is needed to ensure that the item and/or service specified is the one being proposed for purchase. This review generally will take place prior to the time the specification is incorporated into a solicitation document. However, if the grantee or subgrantee desires to have the review accomplished after a solicitation has been developed, the awarding agency may still review the specifications, with such review usually limited to the technical aspects of the proposed purchase.

(2) Grantees and subgrantees must on request make available for awarding agency pre-award review procurement documents, such as requests for proposals or invitations for bids, independent cost estimates, etc. when:

(i) A grantee's or subgrantee's procurement procedures or operation fails to comply with the procurement standards in this section; or

(ii) The procurement is expected to exceed the simplified acquisition threshold and is to be awarded without competition or only one bid or offer is received in response to a solicitation; or

(iii) The procurement, which is expected to exceed the simplified acquisition threshold, specifies a "brand name" product; or

(iv) The proposed award is more than the simplified acquisition threshold and is to be awarded to other than the apparent low bidder under a sealed bid procurement; or

(v) A proposed contract modification changes the scope of a contract or increases the contract amount by more than the simplified acquisition threshold.

(3) A grantee or subgrantee will be exempt from the pre-award review in paragraph (g)(2) of this section if the awarding agency determines that its procurement systems comply with the standards of this section.

(i) A grantee or subgrantee may request that its procurement system be reviewed by the awarding agency to determine whether its system meets these standards in order for its system to be certified. Generally, these reviews shall occur where there is a continuous high-dollar funding, and third-party contracts are awarded on a regular basis.

(ii) A grantee or subgrantee may self-certify its procurement system. Such self-certification shall not limit the awarding agency's right to survey the system. Under a self-certification procedure, awarding agencies may wish to rely on written assurances from the grantee or subgrantee that it is complying with these standards. A grantee or subgrantee will **cite** specific procedures, regulations, standards, etc., as being in compliance with these requirements and have its system available for review.

(h) Bonding requirements. For construction or facility improvement contracts or subcontracts exceeding the simplified acquisition threshold, the awarding agency may accept the bonding policy and requirements of the grantee or subgrantee provided the awarding agency has made a determination that the awarding agency's interest is adequately protected. If such a determination has not been made, the minimum requirements shall be as follows:

(1) A bid guarantee from each bidder equivalent to five percent of the bid price. The "bid guarantee" shall consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of his bid, execute such contractual documents as may be required within the time specified.

(2) A performance bond on the part of the contractor for 100 percent of the contract price. A "performance bond" is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.

(3) A payment bond on the part of the contractor for 100 percent of the contract price. A "payment bond" is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.

(i) Contract provisions. A grantee's and subgrantee's contracts must contain provisions in paragraph (i) of this section. Federal agencies are permitted to require changes, remedies, changed conditions, access and records retention, suspension of work, and other clauses approved by the Office of Federal Procurement Policy.

(1) Administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as may be appropriate. (Contracts more than the simplified acquisition threshold)

(2) Termination for cause and for convenience by the grantee or subgrantee including the manner by which it will be effected and the basis for settlement. (All contracts in excess of \$10,000)

(3) Compliance with Executive Order 11246 of September 24, 1965, entitled "Equal Employment Opportunity," as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 CFR chapter 60). (All construction contracts awarded in excess of \$10,000 by grantees and their contractors or subgrantees)

(4) Compliance with the Copeland "Anti-Kickback" Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (29 CFR part 3). (All contracts and subgrants for construction or repair)

(5) Compliance with the Davis-Bacon Act (40 U.S.C. 276a to 276a-7) as supplemented by Department of Labor regulations (29 CFR part 5). (Construction contracts in excess of \$2000 awarded by grantees and subgrantees when required by Federal grant program legislation)

(6) Compliance with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330) as supplemented by Department of Labor regulations

(29 CFR part 5). (Construction contracts awarded by grantees and subgrantees in excess of \$2000, and in excess of \$2500 for other contracts which involve the employment of mechanics or laborers)

(7) Notice of awarding agency requirements and regulations pertaining to reporting.

(8) Notice of awarding agency requirements and regulations pertaining to patent rights with respect to any discovery or invention which arises or is developed in the course of or under such contract.

(9) Awarding agency requirements and regulations pertaining to copyrights and rights in data.

(10) Access by the grantee, the subgrantee, the Federal grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers, and records of the contractor which are directly pertinent to that specific contract for the purpose of making audit, examination, excerpts, and transcriptions.

(11) Retention of all required records for three years after grantees or subgrantees make final payments and all other pending matters are closed.

(12) Compliance with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15). (Contracts, subcontracts, and subgrants of amounts in excess of \$100,000).

(13) Mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163, 89 Stat. 871). [53 FR 8068, 8087, Mar. 11, 1988, as amended at 60 FR 19639, 19642, Apr. 19, 1995]

570.611 Conflict of interest.

(a) *Applicability.* (1) In the procurement of supplies, equipment, construction, and services by recipients, and by subrecipients (including those specified at § 570.204(c)), the conflict of interest provisions in 24 CFR 85.36 and OMB Circular A-110, respectively, shall apply.

(2) In all cases not governed by 24 CFR 85.36 and OMB Circular A-110, the provisions of this section shall apply. Such cases include the acquisition and disposition of real property and the provision of assistance by the recipient, by its subrecipients, or to individuals, businesses or other private entities under eligible activities which authorize such assistance (e.g., rehabilitation, preservation, and other improvements of private properties or facilities pursuant to § 570.202, or grants, loans and other assistance to businesses, individuals and other private entities pursuant to § 570.203, § 570.204 or § 570.455).

(b) *Conflicts prohibited.* Except for the use of CDBG funds to pay salaries and other related administrative or personnel costs, the general rule is that no persons described in paragraph (c) of this section who exercise or have exercised any functions or responsibilities with respect to CDBG activities assisted under this part, or who are in a position to participate in a decision making process or to gain inside information with regard to such activities, may obtain a financial interest or benefit from a CDBG-assisted activity, or have a financial interest in any contract, subcontract, or agreement with respect to a CDBG-assisted activity, or with respect to the proceeds of the CDBG-assisted activity, either for themselves or those with who they have family or business ties, during their tenure or for one year thereafter. For the UDAG program, the above-stated restriction shall apply to all activities that are a part of the UDAG project, and shall cover any financial interest or benefit during, or at any time after, the person's tenure.

(c) *Persons covered.* The conflict of interest provisions of paragraph (b) of this section apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the recipient, or of any designated public agencies, or subrecipients which are receiving funds under this part.

(d) *Exceptions: threshold requirements.* Upon the written request of the recipient, HUD may grant an exception to the provisions of paragraph (b) of this section on a case-by-case basis when it determines that such an exception will serve to further the purposes of the Act and the effective and efficient administration of the recipient's program or project. An exception may be considered only after the recipient has provided the following:

(1) A disclosure of the nature of the conflict, accompanied by an assurance that there has been public disclosure of the conflict and a description of how the public disclosure was made; and

(2) An opinion of the recipient's attorney that the interest for which the exception is sought would not violate State or local law.

(e) *Factors to be considered for exceptions.* In determining whether to grant a requested exception after the recipient has satisfactorily met the requirements of paragraph (d) of this section, HUD shall consider the cumulative effect of the following factors, where applicable:

(1) Whether the exception would provide a significant cost benefit or an essential degree of expertise to the program or project which would otherwise not be available;

(2) Whether an opportunity was provided for open competitive bidding or negotiation;

(3) Whether the person affected is a member of a group or class of low- or moderate-income persons intended to be the beneficiaries of the assisted activity, and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class;

(4) Whether the affected person has withdrawn from his or her functions or responsibilities, or the decision making process with respect to the specific assisted activity in question;

(5) Whether the interest or benefit was present before the affected person was in a position as described in paragraph (b) of this section;

(6) Whether undue hardship will result either to the recipient or the person affected when weighed against the public interest served by avoiding the prohibited conflict; and

(7) Any other relevant considerations.

SAMPLE ADVERTISEMENT*
REQUEST FOR PROPOSALS FOR
ADMINISTRATIVE CONSULTING SERVICES

The _____ (City/Parish of) _____ is applying for a grant under the FY 2006/2007 Louisiana Community Development Block Grant (LCDBG) Program for the purpose of (identify the specific type of project for which funds will be requested). The _____ (City/Parish) is interested in procuring the services of an administrative consulting firm to prepare the application package and to administer and implement the project if it is successful in being funded.

The procedures for the selection of this firm will be in accordance with the procurement requirements of the LCDBG Program. All responses received will be evaluated in accordance with the selection criteria and corresponding point system that is identified in the request for proposals package. That package also identifies the scope of services to be performed by the selected firm.

The _____ (City/Parish) will**

Interested parties are invited to secure a proposal package from _____ (name of person) _____ at _____ (address and telephone number) _____. The response to this request must be hand-delivered or mailed to the above named person at the above named address in such a manner that it is received no later than _____ (time) _____ on _____ (date) _____.

The _____ (City/Parish) is an Equal Opportunity Employer. We encourage all small and minority-owned firms and women's business enterprises to apply.

***This is a sample notice soliciting proposals for an administrative consulting firm. Each local governing body must prepare a request for proposals that is specific to its own needs. Refer to the sample request for qualifications for a similar, acceptable format. This notice may also be revised as a combined notice requesting qualification statements from engineering/architectural firms and requesting proposals from administrative consulting firms.**

****The local governing body must state one of the following: a) award the contract to the respondent obtaining the highest score in the evaluation process or b) conduct oral interviews with those firms receiving points within the range of ____ to ____ for the purpose of obtaining a "best and final offer"; following those interviews the proposals will be re-scored and the highest scoring firm will be selected.**

SAMPLE PACKAGE*
REQUEST FOR PROPOSALS FOR AN ADMINISTRATIVE CONSULTANT

The Village of Sleepy Hollow is accepting proposals from consultants for management and administrative services required by the Village for the preparation of a Louisiana Community Development Block Grant (LCDBG) Program and subsequent administration/implementation of that program if funded by the State. The project for which funds will be requested consists of

PART ONE: MANAGEMENT AND ADMINISTRATION

The level and scope of services, if any, will be determined by the Village. A fixed sum contract on a cost reimbursement basis will be negotiated with the actual fees for services subject to approval by and funding from the State. Local funds will be used to pay for costs, if any, for applications that are not funded under the LCDBG Program. If the application is not funded by the State, no services beyond the application stage will be required. Therefore, neither the State nor the local governing body will be liable for any other expenditures under the contract. If the application is funded, LCDBG funds can be utilized for the payment of pre-agreement costs and overall program administration costs that are associated with the funded LCDBG program; such costs must be within the amounts allowed under the LCDBG Program. The scope of services that the consultant must be prepared and qualified to provide are as follows:

- a. Prepare the FY 2006/2007 LCDBG Application. If a fee will be charged for the preparation of the application, then a separate cost must be identified for pre-agreement services.
- b. Prepare Environmental Review Record and submit all other items required to clear the contract conditions. All contract conditions must be cleared within six months of the Village's receipt of an "Authorization to Incur Costs" letter from the State.
- c. Prepare the Requests for Payment to ensure consistency with the procedures established for the LCDBG Program.

* **This is a sample only; each governing body must prepare a request for proposals that is specific to its own needs.**

- d. Ensure that the community has an acceptable financial management system as it pertains to finances of the LCDBG program. An acceptable system includes, but is not limited to, cash receipts and disbursements journal and accompanying ledgers, and should conform to generally accepted principles of municipal accounting.
- e. Establish project files in the local governing body's office. These files must demonstrate compliance with all applicable State, local, and federal regulations. The project files must be monitored throughout the program to ensure that they are complete and that all necessary documentation is being retained in the community's files.
- f. With the assistance of the community, help conduct public hearings. This includes, but is not limited to, such things as assisting with public notices, conducting hearings, et cetera.
- g. Assist grant recipient in complying with regulations governing land acquisition (real property, easements, rights of ways, donation of property, et cetera).
- h. Assist the engineer in the preparation of all bid documents and supervise the bidding process consistent with state and federal regulations.
- i. Secure the Secretary of Labor's wage decision from the State and include it in the bid documents.
- j. Prepare construction contracts which comply with State and federal regulations. Examples are Conflict of Interest, Access to Records, Copeland Anti-Kickback Act, Safety Standards, Architectural Barriers, Flood Insurance, Clean Air and Water Act (for contracts over \$100,000), HUD Handbook (6500.3), 24 CFR 85.36, Section 3, Section 109, Title VI, Civil Rights Act, EO 11246 (for contracts over \$10,000), Section 503, et cetera.
- k. Obtain contractor clearance(s) from the State.
- l. Check weekly payrolls to ensure compliance with wage decisions. Conduct on-site interviews and compare the results with the appropriate payrolls.
- m. Monitor construction to ensure compliance with equal opportunity and labor standards provisions.
- n. Make progress inspections and certify partial payment requests.
- o. Attend and assist the Village during the State's monitoring visit(s). Prepare Village's response to any monitoring findings.
- p. Assist in a final inspection of the project and assist the Village in the issuance of a final acceptance of work.
- q. Prepare the Section 504 self-evaluation and transition plan, if applicable.
- r. Prepare analysis of impediments to fair housing.

- s. Assist Village in meeting the State's financial reporting requirements.
- t. Prepare close-out documents.

PART TWO: PROPOSALS

Proposals will be considered by the Village at a meeting to be held at 7:30 p.m. on the 31st day of July, 2005. In order to be considered, proposals must be received by the Village Clerk prior to 3:00 p.m. on the 31st day of July, 2005. The Village reserves the right to reject any or all proposals. All proposals should be sealed and marked on the outside:

FY 2006/2007 LCDBG APPLICATION
PREPARATION AND IMPLEMENTATION PROPOSAL
ADMINISTRATIVE CONSULTANT

All proposals will be scored and ranked with the highest rated firm being awarded a contract.**

The Proposal must include a brief history of the firm and a resume of each person in the firm who will be assigned to the project. The proposal must also include a list of local governing bodies for which the firm has been under contract with for LCDBG administration during the last four calendar years; this list will be used for reference purposes. All references must indicate excellent program performance.

Two copies of the proposal and the required supplemental information should be provided.

PART THREE: SELECTION CRITERIA***

All responses to the proposal will be evaluated according to the following criteria and corresponding point system. The proposals will be evaluated on the basis of written materials. Sufficient information must be included in the proposal to assure that the correct number of points is assigned. Incomplete or incorrect information may result in a lower score.

▪ **REQUIRED PRICE CONSIDERATION****** ? pts.

The lowest priced proposal will receive the maximum points for price. Other, more expensive, proposals will receive reduced amounts of points awarded for price based on the following formula with rounding to the nearest tenth:

**** If a competitive range and oral interviews will be held, then the package must state that procedure.**

$$\frac{\text{Lowest Proposal}}{\text{More expensive proposal}} \times \text{Total Possible Price Points} = \text{Points allocated to a more expensive proposal}$$

Example:

100 points is chosen as the amount of total possible points. (Other point scales may be chosen)

10% of total possible points is chosen for price consideration (Percents greater than 10% may be chosen)

Proposal 1 comes in at \$ 27,000

Proposal 2 comes in at \$ 20,000

Proposal 3 comes in at \$ 30,000

Step 1 Determine the points allocated for price -- $100 \times 10\% = 10$ points

Step 2 Award the full ten points to the lowest priced proposal (Proposal 2 gets **10 points**)

Step 3 Allocate a proportionally reduced amount of points to the more expensive proposals

Proposal 1 $\frac{20,000}{27,000} \times 10 = \underline{\mathbf{7.4 \text{ points}}}$

Proposal 3 $\frac{20,000}{30,000} \times 10 = \underline{\mathbf{6.7 \text{ points}}}$

- **OPTIONAL CONSIDERATIONS:** (These are sample criteria and may be modified by applicant)

Educational background of project manager who will be assigned to project - the highest level attained will receive the assigned number of points shown for that level

High school diploma	<u>?</u> pts.
College degree	<u>?</u> pts.
Masters or PhD	<u>?</u> pts.

Firm's experience in administering LCDBG projects during the last four calendar years; name of locality under contract with the firm and type of project administered

Administered no LCDBG projects	<u>?</u> pts.
Administered 1-5 LCDBG projects	<u>?</u> pts.
Administered more than 5 LCDBG projects	<u>?</u> pts.

*** **These are sample criteria only. Each local governing body must develop its own criteria and identify those along with the corresponding point system (including ranges) which will be used to evaluate the proposals received.**

**** **Price must be one of the criteria utilized in evaluating proposals and must be evaluated using a point system which allocates at least ten percent of the total possible points to price consideration.**

Length of time the firm has been in business:

less than 5 years	<u> ? </u> pts.
5 to 10 years	<u> ? </u> pts.
Over 10 years	<u> ? </u> pts.

Previous experience with the Village:

Very satisfactory	<u> ? </u> pts.
Satisfactory	<u> ? </u> pts.
Unsatisfactory or no previous experience	<u> ? </u> pts.

TOTAL POINTS FOR REQUIRED AND OPTIONAL CONSIDERATIONS ? PTS.

Questions concerning this proposal should be addressed to Lucy Lane at 505-555-1212. Proposals should be hand-delivered to Lucy Lane, Village Clerk, at the Village Hall at 1 Main Street in Sleepy Hollow or mailed to Lucy Lane, Village of Sleepy Hollow, Post Office Box 96, Sleepy Hollow, Louisiana, 70800.

Cost and Price Detail

Name of Consultant		Date of Proposal	
Street Address		Federal ID Number	
City, State, Zip		Total Price \$	
<p>A. <u>Direct Labor</u> (specify personnel by name) Attach a copy of the scope of services identified in the contract. Each task identified in the scope of services should be assigned an estimated amount of time for completion. The total amount of time identified on the scope of services should correspond to the estimate in this section.</p>			
	<u>Est. No. of Days</u>	<u>Daily Rate</u>	<u>Est. Cost</u>
1.			
2.			
3.			
4.			
5. <u>Total Direct Labor</u>			
B. <u>Overhead/Indirect Costs</u>	<u>Rate</u>	<u>Base</u>	<u>Est. Cost</u>
C. <u>Other Direct Costs</u>			<u>Est. Cost</u>
1. Transportation	___ # of on site visits		\$
2. Per Diem	___ # of days @ \$___/day		\$
3. Reproduction	___ # of pages @ \$___/page		\$
4. Other (specify)			\$
a.			\$
b.			\$
c.			\$
d.			\$
5. <u>Total Other Direct Costs</u>			\$
D. <u>Subcontracts</u>			
<u>Name of Subcontractor(s)</u>		<u># of days of effort</u>	<u>Est. Cost</u>
1.			\$
2.			\$
3. <u>Total Subcontractor Cost</u>			\$
Total Estimated Costs (Line A5+B+C5+D3)			\$
Profit			\$
Total Price			\$

CERTIFICATIONS

Contractor

- A. Has a federal agency or a federally certified state or local agency performed any review of your accounts or records in connection with any other federal grant or contract within the past 12 months? ____ YES ____ NO

If yes, give name, address, and telephone number of the reviewing office:

- B. This summary conforms with the applicable cost principals.

- C. This proposal is submitted for use in connection with and in response to _____. This is to certify that to the best of my knowledge and belief the cost and pricing data summarized herein are complete, current, and accurate as of _____ and that a financial management capability exists to fully and accurately account for the financial transactions under this project. I further certify that I understand that the sub agreement price may be subject to downward renegotiation and/or recoupment where the above costs and pricing data have been determined, as a result of audit, not to have been current complete and accurate as of the day above.

Date of Execution

Signature and Title of Proposer

Grantee Reviewer

I certify that I have reviewed the cost/price summary set forth herein and the proposed costs/price appears acceptable for sub agreement award.

Date of Execution

Signature and Title of Reviewer

Additional Reviewer, if needed

Date of Execution

Signature and Title of Reviewer

SAMPLE PACKAGE *

REQUEST FOR QUALIFICATION STATEMENTS
FOR ENGINEERING SERVICES

The _____ (City/Parish) _____ is seeking assistance for engineering services needed to prepare the application for FY 2006/2007 LCDBG funds and subsequent implementation of that program, if funded by the State. The type of project involved is _____

The _____ (City/Parish) _____ is soliciting qualification statements for engineering services to assist the _____ (City/Parish) _____ with preliminary engineering, design engineering, and inspections of this project in compliance with LCDBG Program requirements. The agreement will be on a lump sum, fixed price basis (or cost reimbursement "not to exceed" basis), with payment terms to be negotiated with the selected offerer. Reimbursement for services will be contingent on the _____ (City/Parish) _____ receiving funding from the State. Local funds will be used to pay for costs, if any, for applications that are not funded under the LCDBG Program. If the application is not funded by the State, then no services beyond the application stage will be required. Therefore, neither the State nor the local governing body will be liable for any other expenditures under the contract. The maximum amount of pre-agreement and program implementation engineering fees that can be paid for implementation with LCDBG funds will be determined by the State and may require adjustments in the proposed contract amount.

The services to be provided will include, but not be limited to:

1. Assisting in the preparation of the application package (pre-agreement costs).
2. Designing system improvements and construction engineering. The preliminary plans and specifications must be completed within six months of the City's/Parish's receipt of the "Authorization to Incur Costs" letter from the State's Office of Community Development. Submit plans and specifications to the Louisiana Department of Health and Hospitals, if applicable, and to the Office of Community Development within the aforementioned six month period.
3. Assisting the administrative consultant with the construction bid package in conformance with applicable federal requirements and supervising the bid advertising, tabulation, and award process, including preparing the advertisements for bid solicitation, conducting the bid opening, and issuing the notice to proceed. The first advertisement for bid must appear within thirty days of receiving authorization to advertise for bids from the State.

*** This is a sample only. Each governing body must prepare a request for qualification statements package that is specific to its own needs. Refer to the sample request for proposals for administrative consultants for a similar, acceptable format.**

4. Assist in conducting the preconstruction conference.
5. Field staking, on-site supervision of construction work, and preparing inspection reports.
6. Reviewing and approving all contractor requests for payment and submitting approved requests to the governing body.
7. Providing reproducible plan drawings to the City/Parish upon project completion.
8. Conducting final inspection and testing.

Respondents will be evaluated on the basis of the written materials submitted and according to the following factors: **

1. Experience of the firm with this type of construction project under the LCDBG Program during past five calendar years

- | | |
|--|------------------|
| No previous experience | <u> ? </u> pts |
| Under contract with 1-10 grantees during past five calendar years (identify grantee and type of project) | <u> ? </u> pts |
| Under contract with more than 10 grantees during past five calendar years (identify grantee and type of project) | <u> ? </u> pts |

2. Proximity of firm to local governing body***

- | | |
|-------------------------|------------------|
| Less than 60 miles away | <u> ? </u> pts |
| More than 60 miles away | <u> ? </u> pts |

3. Length of time the firm or project engineer has been in business

- | | |
|-------------------|-------------------|
| Less than 5 years | <u> ? </u> pts. |
| 5 to 10 years | <u> ? </u> pts. |
| Over 10 years | <u> ? </u> pts. |

**** The corresponding point system and breakdown of points must be specifically identified.**

***** Geographic preference may be used as a selection factor for engineering services if adequate competition (two or more firms that are responsive and responsible) are located within the distances identified.**

4. Previous experience with the City/Parish:

Very satisfactory	<u> ? </u> pts.
Satisfactory	<u> ? </u> pts.
Unsatisfactory or no previous experience	<u> ? </u> pts

In the event of a tie for the highest score, oral interviews will be held with those firms. As a result of those interviews, the City/Parish will determine which firm will be selected to enter into contract negotiation. Unsuccessful offerors will be notified as soon as possible.

Questions and responses should be directed to:

Mayor/Parish President
City/Parish
Post Office Box
City, State, Zip

All responses must be received no later than _____ (date). Please state "FY 2006/2007 LCDBG QUALIFICATIONS STATEMENT-ENGINEERING SERVICES" on the outside of the package submitted.

SAMPLE *
CONTRACT FOR PROFESSIONAL SERVICES

Louisiana Community Development Block Grant Program

PART I -- AGREEMENT

This Agreement for professional services is by and between the VILLAGE OF SLEEPY HOLLOW, State of Louisiana (hereinafter called the "VILLAGE"), acting herein by Johnny Shiloh, Mayor, hereunto duly authorized, and Planners Incorporated, a corporation organized under the laws of the State of Louisiana (hereinafter called the "CONSULTANT"), acting herein by Oliver Catt, President, hereunto duly authorized;

WITNESSETH THAT:

WHEREAS, the VILLAGE intends to apply for and hopefully receive funding under the FY 2006/2007 Louisiana Community Development Block Grant (LCDBG) Programs pursuant to Title I of the Housing and Community Development Act of 1974, as amended; and,

WHEREAS, the VILLAGE desires to engage the CONSULTANT to render certain technical assistance services in connection with its Community Development Program:

NOW, THEREFORE, the parties do mutually agree as follows:

1. Employment of CONSULTANT

The VILLAGE hereby agrees to engage the CONSULTANT on a contingency basis, and the CONSULTANT hereby agrees to perform the Scope of Services set forth herein under the terms and conditions of this agreement.

*** This is a sample only; each governing body must prepare a contract that is specific to its own needs.**

2. Scope of Services

The CONSULTANT shall, in a satisfactory and proper manner, perform the following services:

- a. With the assistance of the community, help conduct public hearings. This includes, but is not limited to, such things as assisting in public hearings, preparing public notices, et cetera.
- b. Prepare the FY 2006/2007 LCDBG Application.
- c. Prepare the Environmental Review Record.
- d. Prepare the Requests for Payment to ensure consistency with the procedures established for the LCDBG Program.
- e. Ensure that the community has an acceptable financial management system as it pertains to finances of the LCDBG Program. An acceptable system includes, but is not limited to, cash receipts and disbursements journal, cash control register, property register, and accompanying ledgers, and should conform to generally accepted principles of municipal accounting.
- f. Establish project files in local government office. These files must demonstrate compliance with all applicable State, local, and Federal regulations. Monitor project files throughout the program to ensure they are complete and that all necessary documentation is being retained in the community's files.
- g. If applicable to the program, assist grant recipients in complying with regulations governing land acquisition (real property, easements, rights of ways, donation of property, et cetera).
- h. Assist the engineer in the preparation of all bid documents and supervise the bidding process consistent with State and Federal regulations.
- i. Secure the Secretary of Labor's wage decision from the State and include it in the

bid documents.

- j. Prepare construction contracts which comply with State and Federal regulations.
Examples of the regulations include, but are not limited to, Access to Records, Copeland Anti-Kickback Act, Safety Standards, Architectural Barriers, Flood Insurance, Clean Air and Water Act (if contract over \$100,000), HUD Handbook (6500.3), 24 CFR 85.36, Section 3, Section 109, Title VI, Civil Rights Act, EO 11246 (if contract over \$10,000), Section 503, et cetera.
- k. Obtain clearance on all “prime” contractors from the State.
- l. Check weekly payrolls to ensure compliance with wage decisions. Conduct on-site interviews and compare the results with appropriate payrolls.
- m. Monitor construction to ensure compliance with equal opportunity and labor standard provisions.
- n. Make progress inspections and certify partial payment requests.
- o. Attend and assist the Village during the State's monitoring visit(s). Prepare Village's response to any monitoring findings.
- p. Assist Village in meeting the State's financial reporting requirements.
- q. Make a final inspection and issue a final certificate of payment.
- r. Prepare close out documents.

Services in each of the work areas shall be performed under and at the direction of the Mayor, or his designated representative.

3. Time of Performance

The services of the CONSULTANT shall commence on August 1, 2005, and be provided on a per-day basis as requested by the Mayor or his designated representative. Such services shall be continued in such sequence as to assure their relevance to the purposes of this

Agreement. The CONSULTANT must take whatever steps are necessary to assure that the VILLAGE's contract conditions are cleared within six months of the date of the VILLAGE's "Authorization to Incur Costs" letter. If at the end of the six month calendar period, all contract conditions (with the exception of the preparation of engineering/architectural plans and specifications) are not cleared, \$250 per working day will be deducted from the amount of administrative funds contracted to the CONSULTANT. The State reserves the right to grant an extension where the reasons for not meeting the required timeframe were clearly beyond the control of the CONSULTANT. In any event, all of the services required and performed hereunder shall not be completed until the VILLAGE has received notification of final close out from the State.

4. Access to Information

It is agreed that all information, data, reports, records, and maps as are existing, available, and necessary for the carrying out of the work outlined above, shall be furnished to the CONSULTANT by the VILLAGE. No charge will be made to the CONSULTANT for such information, and the VILLAGE will cooperate with the CONSULTANT in every way possible to facilitate the performance of the work described in this contract.

5. Compensation and Method of Payment

Payment under this contract is contingent upon the VILLAGE receiving approval from the State for funds under the FY 2006/2007 LCDBG program. CONSULTANT shall only be paid for services rendered under this agreement from funds allowed by the State for pre-agreement and administrative costs under the provisions of the grant awarded to the VILLAGE. CONSULTANT will not be entitled to any reimbursement for pre-agreement costs and program administration either from the VILLAGE or the State, if the VILLAGE does not receive a grant award and an authorization to incur costs from the State's Office of Community Development.

There will be no charge by the Consultant for pre-agreement services if the VILLAGE does not receive a grant award. If the Grant is awarded, reasonable pre-agreement costs as well as program administration costs will be allowed under the LCDBG Program.

Upon the VILLAGE's receipt of an award of a grant and an authorization to incur costs letter from the State's Office of Community Development, the amount of compensation and reimbursement to be paid CONSULTANT under this contract for pre-agreement and program administration costs shall not exceed Thirty-Five Thousand and No/100 (\$35,000.00) Dollars.

The VILLAGE shall retain ten percent (10%) of CONSULTANT's overall program administrative fees until the VILLAGE receives a letter of conditional close out from the State, whereupon this retainage shall be paid to CONSULTANT.

CONSULTANT will be compensated for travel in accordance with the State's Policy and Procedures Memorandum Number 49.

The CONSULTANT shall submit invoices to the Village for payment. These invoices shall summarize the number of person-days provided in performing assigned tasks, the tasks completed, and travel and per diem expenses incurred in the preceding month.

6. Ownership Documents

All documents, including original drawings, estimates, specifications, field notes, and data are the property of the VILLAGE. The CONSULTANT may retain reproducible copies of drawings and other documents.

7. Professional Liability

The CONSULTANT shall be responsible for the use of reasonable skills and care benefiting the profession in the preparation of the application and in the implementation of the LCDBG Program.

8. Indemnification

The CONSULTANT shall comply with the requirements of all applicable laws, rules and regulations in connection with the services of the CONSULTANT, and shall exonerate, indemnify, and hold harmless the VILLAGE, its officers, agents, and all employees from and against them, and local taxes or contributions imposed or required under the Social Security, Workers' Compensation, and Income Tax Laws. Further, the CONSULTANT shall exonerate, indemnify, and hold harmless the VILLAGE with respect to any damages, expenses, or claims arising from or in connection with any of the work performed or to be performed under this contract by the CONSULTANT. This shall not be construed as a limitation of the CONSULTANT's liability under this Agreement or as otherwise provided by law.

9. Terms and Conditions

This Agreement is subject to the provisions titled, "Part II, Terms and Conditions" consisting of nine (9) pages, attached hereto and incorporated by reference herein.

10. Address of Notices and Communications

Johnny Shiloh, Mayor
Post Office Box 96
Sleepy Hollow, LA 70800

Oliver Catt, President
Planners, Inc.
500 Broadway
Baton Rouge, LA 70801

11. Captions

Each paragraph of this Contract has been supplied with a caption to serve only as a guide to the contents. The caption does not control the meaning of any paragraph or in any way determine its interpretation or application.

12. Authorization

This Agreement is authorized by Village Resolution _____, adopted _____, copies of which are attached hereto and made a part hereof.

ATTEST:

VILLAGE OF SLEEPY HOLLOW

By: _____
Johnny Shiloh, Mayor

Date _____

PLANNERS INCORPORATED

BY: _____
Oliver Catt, President

PART II -- TERMS AND CONDITIONS

1. Termination of Contract for Cause.

If, through any cause, the CONSULTANT shall fail to fulfill in a timely and proper manner his obligations under this Contract, or if the CONSULTANT shall violate any of the covenants, agreements, or stipulations of this Contract, the VILLAGE shall thereupon have the right to terminate this Contract by giving written notice to the CONSULTANT of such termination and specifying the effective date thereof, at least five days before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports prepared by the CONSULTANT under this Contract shall, at the option of the VILLAGE, become its property and the CONSULTANT shall be entitled to receive just and equitable compensation for any work satisfactorily completed hereunder. Notwithstanding the above, the CONSULTANT shall not be relieved of liability to the VILLAGE for damages sustained by the VILLAGE by virtue of any breach of the Contract by the CONSULTANT, and the VILLAGE may withhold any payments to the CONSULTANT for the purpose of set-off until such time as the exact amount of damages due the VILLAGE from the CONSULTANT is determined.

This contract for pre-agreement (application preparation) services and overall program administration will be automatically terminated if the application(s) is not funded by the State's Office of Community Development. CONSULTANT will not be entitled to any reimbursement for pre-agreement costs and for program administration either from the VILLAGE or the State, if the VILLAGE does not receive a grant award and an authorization to incur costs from the State's Office of Community Development.

2. Termination for Convenience of the VILLAGE

The VILLAGE may terminate this contract at any time by giving at least ten (10) days notice in writing to the CONSULTANT. If the Contract is terminated by the VILLAGE as provided herein, the CONSULTANT will be paid for the time provided and expenses incurred up to the termination date. If this Contract is terminated due to the fault of the CONSULTANT, paragraph 1 hereof relative to termination shall apply.

This contract for pre-agreement services and program administration will be automatically terminated if the application(s) is not funded by the State's Office of Community Development. CONSULTANT will not be entitled to any reimbursement for pre-agreement services and program administration either from the VILLAGE or the State, if the VILLAGE does not receive a grant award and an authorization to incur costs from the State's Office of Community Development.

3. Changes

The VILLAGE may, from time to time, request changes in the scope of the services of the CONSULTANT to be performed hereunder. Such changes, including any increase or decrease in the amount of the CONSULTANT's compensation, which are mutually agreed upon by and between the VILLAGE and the CONSULTANT, shall be incorporated in written amendments to this Contract.

4. Personnel

a. The CONSULTANT represents that he has, or will secure at his own expense, all personnel required in performing the services under this Contract. Such personnel shall not be employees of or have any contractual relationship with the VILLAGE.

b. All of the services required hereunder will be performed by the CONSULTANT or under his supervision and all personnel engaged in the work shall be fully qualified and shall be authorized or permitted under state and local law to perform such services.

c. None of the work or services covered by this Contract shall be subcontracted without the prior written approval of the VILLAGE. Any work or services subcontracted hereunder shall be specified by written contract or agreement and shall be subject to each provision of this Contract.

5. Assignability

The CONSULTANT shall not assign any interest in this Contract, and shall not transfer any interest in the same (whether by assignment or novation), without the prior written consent of the VILLAGE thereto: Provided, however, that claims for money by the CONSULTANT from the VILLAGE under this Contract may be assigned to a bank, trust company, or other financial institution without such approval. Written notice of any such assignment or transfer shall be furnished promptly to the VILLAGE.

6. Reports and Information

The CONSULTANT, at such times and in such forms as the VILLAGE may require, shall furnish the VILLAGE such periodic reports as it may request pertaining to the work or services undertaken pursuant to this Contract, the costs and obligations incurred or to be incurred in connection therewith, and any other matters covered by this Contract.

7. Records and Audits

The CONSULTANT shall maintain accounts and records, including personnel, property, and financial records, adequate to identify and account for all costs pertaining to the Contract and such other records as may be deemed necessary by the VILLAGE to assure proper accounting for all project funds, both federal and non-federal shares. These records will be made available for audit or other financial reporting purposes to the VILLAGE or any authorized representative, and will be retained for four years after the State has officially closed-out the LCDBG Program unless permission to destroy them is granted by the VILLAGE.

8. Findings Confidential

All of the reports, information, data, et cetera, prepared or assembled by the CONSULTANT under this Contract are confidential and the CONSULTANT agrees that they shall not be made available to any individual or organization without the prior written approval of the VILLAGE.

9. Copyright

No materials, to include but not limited to reports, maps, or documents produced as a result of this contract, in whole or in part, shall be available to CONSULTANT for copyright purposes. Any such materials produced as a result of this contract that might be subject to copyright shall be the property of the VILLAGE and all such rights shall belong to the VILLAGE, and the VILLAGE shall be sole and exclusive entity who may exercise such rights.

10. Compliance with Local Laws

The CONSULTANT shall comply with all applicable laws, ordinances and codes of the State and local government, and the CONSULTANT shall hold the VILLAGE harmless with respect to any damages arising from any tort done in performing any of the work embraced by this Contract.

11. Civil Rights Act of 1964/Equal Employment Opportunity

Under Title VI of the Civil Rights Act of 1964, no person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

During the performance of this Contract, the CONSULTANT agrees as follows:

a. The CONSULTANT will not discriminate against any employee or applicant for employment because of race, creed, sex, color, national origin, handicap or familial status.

The CONSULTANT will take affirmative steps to ensure that applicants are employed, and that

employees are treated during employment, without regard to their race, creed, sex, color, national origin, handicap or familial status. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms or compensation; and selection for training, including apprenticeship. The CONSULTANT agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the VILLAGE setting forth the provisions of this non-discrimination clause.

b. The CONSULTANT will, in all solicitations or advertisements for employees placed by or on behalf of the CONSULTANT, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, sex, national origin, handicap or familial status.

c. The CONSULTANT will cause the foregoing provisions to be inserted in all subcontracts for any work covered by this Contract so that such provisions will be binding upon each subcontractor, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

d. The CONSULTANT will comply with all provisions of Presidential Executive Order 11246 (Executive Order 11246) of September 24, 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.

e. The CONSULTANT will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records and accounts by the VILLAGE and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.

f. In the event of the CONSULTANT's non-compliance with the equal opportunity

clauses of this Agreement or with any such rules, regulations, or orders, this Agreement may be canceled, terminated, or suspended in whole or in part and the CONSULTANT may be declared ineligible for further government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided by Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

g. The CONSULTANT will include the provisions of paragraphs (a) through (g) in every subcontract or purchase order unless exempted by rules, regulations or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The CONSULTANT will take such action with respect to any subcontract or purchase order as the VILLAGE may direct as a means of enforcing such provisions including sanctions for non-compliance: Provided, however, that in the event the CONSULTANT becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the VILLAGE, the CONSULTANT may request the United States to enter into such litigation to protect the interests of the United States.

12. Section 109 of the Housing and Community Development Act of 1974

No person in the United States shall on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title. Section 109 further provides that discrimination on the basis of age under the Age Discrimination Act of 1975 or with respect to an otherwise qualified handicapped individual as provided in Section 504 of the Rehabilitation Act of 1973, as amended, is prohibited.

13. "Section 3" Compliance in the Provision of Training, Employment and Business

Opportunities

- (a) The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- (b) The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.
- (c) The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each, and the name and location of the person(s) taking applications for each of the positions, and the anticipated date the work shall begin.
- (d) The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.
- (e) The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.
- (f) Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.
- (g) With respect to work performed in connection with section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference

and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of section 3 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

14. Interest of Members of the VILLAGE

No member of the governing body of the VILLAGE and no other officer, employee, or agent of the VILLAGE who exercises any functions or responsibilities in connection with the planning and carrying out of the program, shall have any personal financial interest, direct or indirect, in this Contract; and the CONSULTANT shall take appropriate steps to assure compliance.

15. Interest of Other Local Public Officials

No member of the governing body of the locality and no other public official of such locality, who exercises any functions or responsibilities in connection with the planning and carrying out of the program, shall have any personal financial interest, direct or indirect, in this Contract; and the CONSULTANT shall take appropriate steps to assure compliance.

16. Interest of CONSULTANT and Employees

The CONSULTANT covenants that he presently has no interest and shall not acquire interest, direct or indirect, in the project area or any parcels therein or any other interest which would conflict in any manner or degree with the performance of his services hereunder. The CONSULTANT further covenants that in the performance of this Contract, no person having any such interest shall be employed.

17. Access to Records

The State grantor agency, the Department of Housing and Urban Development, the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers, and records of the Contractor which are

directly pertinent to this specific contract for the purpose of audits, examinations, and making excerpts and transcriptions.

All records connected with this contract will be maintained in a central location by the unit of local government and will be maintained for a period of four (4) years from the official date of close out of the grant by the State.

SAMPLE * PROCUREMENT POLICY

These procedures are intended to serve as guidelines for the procurement of supplies, equipment, construction services and professional services for the LCDBG Program. These guidelines meet the standards established in 24 C.F.R. 85.36 and State requirements.

CODE OF CONDUCT

No employee, officer, or agent of the _____ (City/Parish) shall participate in the selection or in the award or administration of a contract supported by LCDBG funds if a conflict of interest, real or apparent, would be involved. Such a conflict could arise if the employee, officer or agent; any member of his/her immediate family; his/her partner; or an organization which employs or is about to employ any of the above, has a financial or other interest in the firm selected for award.

No officer, employee or agent of the _____ shall solicit or accept gratuities, favors or anything of monetary value from contractors or firms, potential contractors or firms, or parties to sub-agreements, except where the financial interest is not substantial or the gift is an unsolicited item of nominal intrinsic value.

Any alleged violations of these standards of conduct shall be referred to the _____ Attorney. Where violations appear to have occurred, the offending employee, officer or agent shall be subject to disciplinary action, including but not limited to dismissal or transfer; where violations or infractions appear to be substantial in nature, the matter may be referred to the appropriate officials for criminal investigation and possible prosecution.

PROCUREMENT PROCEDURES

The director or supervisor of each department or agency of the _____ responsible for procurement of services, supplies, equipment, or construction obtained with LCDBG funds shall review all proposed procurement actions to avoid the purchase of unnecessary or duplicative items. Such reviews shall consider consolidation or breaking out to obtain a more economical purchase. When determined appropriate by the Director or Supervisor, an analysis to determine which approach would be the most economical shall be undertaken.

The _____ shall take affirmative steps to assure that small and minority firms, women's business enterprises, and labor surplus firms are solicited whenever they are potential qualified sources. The _____ shall also consider the feasibility of dividing total requirements into smaller tasks or quantities so as to permit maximum participation by small and minority firms, women's business enterprises, and labor surplus firms. Where permitted by regulations, delivery schedules will be developed which will include participation by such businesses.

** This is a sample only. Each local governing body should revise the Policy to reflect its own specific needs/criteria.*

The _____ shall assist the prime contractor whenever possible by providing copies of lists which identify qualified small and minority firms, women's business enterprises, and labor surplus area firms.

SELECTION PROCEDURES

ALL procurement carried out with LCDBG funds, where _____ is a direct party, shall be carried out in a manner that provides maximum free and open competition. Procurement procedures will not restrict or eliminate competition. _____ shall not place unreasonable requirements on firms in order for them to qualify to do business. Nor will _____ encourage or participate in noncompetitive practices among firms. The _____ is alert to organizational conflicts which would jeopardize the negotiation process and limit competition. _____ will not require unnecessary experience or bonding requirements.

Pursuant to State law, all solicitations of offers shall incorporate a clear accurate description of the technical requirements for the material, service, or product to be procured. In competitive procurements, these descriptions shall not contain features which unduly limit competition. The description may include a statement of the qualitative nature of the material, product, or service and the minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications shall be avoided whenever possible. A "brand name or equal" description may be used to define the performance or other salient requirements of a procurement. The specific features of the named brand which must be met by offerers shall be clearly stated.

All solicitations of offers shall clearly set forth all requirements which offerers must fulfill and all other factors to be used in evaluating bids, proposals, or statements of qualifications.

Contracts shall be awarded only to responsible contractors/firms that possess the potential ability to perform successfully under the terms and conditions of the proposed procurement.

Consideration shall be given to such factors as the contractor's/firm's capacity, integrity, compliance with public policy, record of past performance, and financial and technical resources.

METHODS OF PROCUREMENT

Direct procurement by the _____ shall be made by using one of the following methods depending on the type of service to be procured.

Small Purchase Procedures. Relatively simple, informal procurement procedures will be used where the purchase of materials, supplies, equipment, and/or other property will not cost in the aggregate more than \$20,000, and for construction with a cost of less than \$100,000, except where further limited by State law or LCDBG policy. The small purchase procedure can also be utilized to procure administrative consulting and other professional services costing less than \$100,000. The only exception to professional services is for architectural/engineering services that must be procured through competitive negotiation. The procurement officer must obtain a minimum of three oral or written price or rate quotations from qualified sources. Documentation on all quotations received (whether oral or written) shall be made a part of the file.

Competitive Sealed Bids/Formal Advertising. Under this procedure bids are publicly advertised in accordance with the State's Public Bid Law. A firm fixed price contract (either lump sum or unit price) shall be awarded to the responsible bidder whose bid is lowest in price and that conforms to all the material terms and conditions of the advertisement for bids.

Competitive sealed bids can be used ONLY when the following criteria are met: (1) there are complete, adequate, and realistic specifications or purchase descriptions; (2) there are two or more responsible bidders who are willing and able to compete effectively; (3) the procurement can be made on a firm fixed-price contract and selection of the successful bidder can appropriately be made principally on the basis of price.

When formal advertising is used the following conditions shall be met.

1. The advertisement for bids shall be publicly advertised in accord with State law.
2. The advertisement for bids, including the specifications and pertinent attachments, shall clearly define the items or services needed in order for the bidders to properly respond to the advertisement.
3. All bids shall be opened publicly at the time and place specified in the advertisement for bids.
4. A firm fixed-price contract award shall be made by written notice to the lowest responsible bidder whose bid conforms to the advertisement for bids. Where specified in the bid documents, factors such as discounts, transportation costs, and life cycle costs shall be considered in determining which bid is lowest. Payment discounts shall only be used to determine low bid when prior experience indicates that such discounts are generally taken.
5. Notwithstanding the above, any or all bids may be rejected when there are sound documented business reasons in the best interest of the LCDBG Program.

Competitive Negotiation: Requests for Proposals/Qualification Statements This method may be used when formal advertising is not appropriate. Architectural and engineering services must be procured via requests for qualification statements; administrative consulting services must be procured via requests for proposals. Other professional services may also be procured by requests for proposals. The following procedures will be used for competitive negotiation:

1. Requests for proposals or qualification statements must be advertised in a newspaper in the nearest metropolitan area in accordance with the rules of the State's LCDBG Program. All submittals will be honored and entered into the competition.
2. The package for proposals or qualification statements shall identify all significant evaluation factors or selection criteria, including the corresponding point system that will be used to rate the proposals/qualification statements.

3. The selecting official (or committee, if one is designated) shall review all proposals and statements received and make a technical evaluation of each. This shall also include a written statement that identifies the basis upon which the selection was made.
4. Contract award will be made to the responsible offerer whose submission is deemed most appropriate to the _____ with consideration for price, qualifications, and other factors set by the local governing body. Unsuccessful offerers shall be notified in writing within ten working days of contract award. Documentation of notification shall be maintained in the contract selection file for the individual project.
5. Following the review of the qualification statements received, the most qualified competitor will be selected to enter into contract negotiation. This shall always include negotiation of price to insure cost reasonableness. At the conclusion of successful negotiation, the competitor shall be invited to enter into a contract.

Noncompetitive Negotiation/Sole Source. Noncompetitive negotiation shall be used when small purchase, formal advertising, or competitive negotiation procedures are not feasible. Noncompetitive negotiation will involve solicitations of a proposal from only one source. This can also occur if solicitations under the competitive negotiation procedures result in only one proposal or qualification statement. Noncompetitive negotiation shall only be used when written authorization has been obtained from the State's Office of Community Development, with the one exception noted. In order to qualify for this type of procurement, one of the following circumstances must apply:

1. The item or service is available only from a single source;
2. It is determined that a public urgency or emergency exists and the urgency will not permit the delay beyond the time needed to employ one of the other three methods of procurement.
3. After solicitation of a number of sources, competition is determined to be inadequate.

The one exception to this method is that the non-competitive negotiation method may be used, without written authorization from the State, when an area-wide planning agency or regional planning and development district is utilized for administrative consulting services.

CONTRACT PRICING

Cost plus percentage of cost and percentage of construction cost methods of contracting **MUST NOT** be used. _____ shall perform cost or pricing analysis in connection with EVERY procurement action including contract modifications. Costs or prices based on estimated costs for LCDBG projects shall be allowed only to the extent that the costs incurred or the cost estimates included in negotiated prices are consistent with federal cost principals. Cost reimbursement, fixed price, per diem contracts, or a combination thereof may be utilized as appropriate.

A cost reimbursement type contract is most appropriate when the scope and extent of the work to be performed are not clearly defined. A cost reimbursement contract **MUST** clearly establish a cost ceiling which may not be exceeded without formally amending the contract, and must identify a fixed dollar profit that may not be increased unless there is a contract amendment that increases the scope of the work.

A fixed price contract is appropriate when the scope of work is very well defined and product oriented. A fixed price contract **MUST** establish a guaranteed price that may not increase unless there is a contract amendment that increases the scope of the work.

A per diem contract expected to exceed \$10,000 will not be considered unless _____ has determined that a cost reimbursable or fixed price contract is not appropriate. Cost and profit included in the per diem rate **MUST** be specifically negotiated and shown separately in the proposal. The contract must clearly establish a ceiling price that may not be exceeded without formally amending the contract.

The _____ may use a multiplier type of compensation under either the cost reimbursement or fixed price contract. The multiplier and the portions of the multiplier applicable to overhead and profit must be specifically negotiated and separately identified in the contract.

PROCUREMENT RECORDS

The _____ shall maintain records sufficient to detail the history of the procurement. The records shall include the following contract provisions and conditions:

1. Contracts other than small purchase shall contain provisions that allow for administrative, contractual, or legal remedies if contractors violate or breach contract terms, and provide for sanctions and penalties as appropriate.
2. All contracts in excess of \$10,000 shall provide for termination for cause and for convenience by the _____ including the manner in which it will be done and the basis for settlement.
3. All construction contracts and subcontracts in excess of \$10,000 shall include provisions which require compliance with Executive Order 11246, Equal Employment Opportunity, as amended by Executive Order 11375, and as supplemented in DOL regulations (41 CFR Part 60).
4. All contracts and subcontracts for construction or repair shall include a provision for compliance with the Copeland "Anti-Kick-Back" Act (18 USC 874) as supplemented by DOL regulations (29 CFR Part 3).
5. All contracts or subcontracts in excess of \$2,000 for construction or repair shall include a provision for compliance with the Davis-Bacon Act (40 USC 276a to a-7) as supplemented by DOL regulations (29 CFR Part 5).

6. All construction or repair contracts or subcontracts in excess of \$2,000, and in excess of \$2,500 for other contracts which involve the employment or mechanics or laborers, shall include a provision for compliance with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 USC 327-330) as supplemented by DOL regulations (29 CFR Part 5).
7. Each contract shall include a notice of State requirements and regulations pertaining to reporting and patent rights under any contract involving respect to any discovery or invention which arises or is developed in the course of or under such contract, and of the State requirements pertaining to copyrights and rights in data.
8. All negotiated contracts shall include a provision that makes it possible for the State, HUD, the Comptroller General of the United States, or any of their duly authorized representatives, to have access to any books, documents, papers, or records of the contractor/firm that are directly pertinent to the contract, for the purpose of making audit examination excerpts and transcriptions. Further, the contract must include a provision that all required records will be maintained by the contractor/firm for a period of four years after the _____ formally closes out each LCDBG program.
9. All contracts, subcontracts, and subgrants in amounts in excess of \$100,000 shall contain a provision which requires compliance with the requirements of Section 306 of the Clean Air Act (42 USC 1857 h), Section 508 of the Clean Water Act (33 USC 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15).
10. Contracts shall recognize mandatory standards and policies relating to energy efficiency that are contained in the State Energy Conservation Plan issued in compliance with the Energy Policy and Conservation Act (P.L. 94-163).
11. The _____ will be permitted to require changes, remedies, changed conditions, access and record retention, and suspension of work clauses approved by the State.

CONTRACT ADMINISTRATION

The _____ shall maintain contract administration systems that insure contractors/firms perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders. The accepted performance of contractors/ firms will be a factor in subsequent contract negotiations and award. Remedial action by the _____ through legal processes shall be considered in instances of identified significant nonperformance.

**V. APPLICATION FORMS AND
INSTRUCTIONS FOR
COMMUNITY CENTER APPLICANTS**

V. APPLICATION FORMS AND INSTRUCTIONS FOR COMMUNITY CENTER APPLICANTS

Information requested is needed to rate your application. Lengthy applications that include supplemental data are specifically discouraged. The checklist on page 100 identifies all the required items needed for public facilities community center applications.

All applicants who intend to apply for funds for multi-purpose community centers will be required to attend a pre-application conference with staff of the Office of Community Development. Those applicants must contact Wayne Dale at 225/342-7412 for the purpose of scheduling the pre-application conference. These conferences should be scheduled early during the application preparation stage so as to facilitate the preparation of that application.

If you have any questions concerning forms or instructions, please call the Office of Community Development at (225) 342-7412. Louisiana Relay Service is available for hearing impaired persons by using the following numbers: Information: 1-800-333-0605, TDD Users: 1-800-846-5277, Voice Users: 1-800-947-5277.

CHECKLIST FOR COMMUNITY CENTER APPLICATIONS

This checklist should not be included in the submitted application. This checklist is only provided for your information and use during the preparation of your application. All forms listed on this page are required for community center applications.

FORM	Page No.	Completed
General Description Form	101	
Supplemental Information Form	105	
Budget/Cost Summary Form	107	
LCDBG Program Time Schedule	109	
Activity Beneficiary Form	111	
Survey Tabulation Form	120	
Household Survey Form	124	
Income By Family Chart	173	
Maps	130	
Project Description	131	
Utilization and Proximity Form	133	
Letter of Commitment from Service Providers	135	
Three Year Financial Plan	137	
Engineer/Architect's Cost Estimate	139	
Cost Effectiveness Form	143	
Certification Regarding Engineering Plans and Specifications Form	143	
Certification of Other Funds Form	143	
Pre-Agreement and Administrative Costs Certification Form	147	
Designated Renewal Community Form	147	
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LOUISIANA COMMUNITY DEVELOPMENT BLOCK GRANT (LCDBG) PUBLIC FACILITIES PROGRAM General Description Form			1. Applicant Name	
2. Type of Application – Community Center			3. Address	
4. Name of City Clerk or Parish Secretary			5. Applicant's Email Address	
6. Name and Phone Number of Administrative Consultant Preparing Application			7. Name and Phone Number of Engineering/Architectural Firm Preparing Application	
8. Administrative Consultant Email Address			9. Engineering/Architectural Firm Email Address	
10. Applicant's Fax Number			11. Parish	
12. National Objective Addressed: <input type="checkbox"/> Slum/Blight <input type="checkbox"/> Low/Moderate Income			13. Total Amount of LCDBG Funds Requested \$	
14. Funds	Amount	Source of Funds	Fund Status	State Use Only
LCDBG	\$			
Local Funds	\$			
Private Funds	\$			
Other State	\$			
Federal Funds	\$			
Other Funds	\$			
TOTAL COST	\$			
15. Signature (Chief Elected Official)			16. Date	
17. Typed Name/Title			18. Telephone Number	

INSTRUCTIONS

General Description Form

- Item 1: Enter applicant name (municipality or parish).
- Item 2: Type of application is “Community Center”.
- Item 3: Enter mailing address of applicant (P.O. box or street address, name of city, and zip code plus four digits). (Note: For the four digit number, please contact your local post office).
- Item 4: Enter the name of the City Clerk or Parish Secretary.
- Item 5: Enter an Email address for the applicant. If the applicant does not have an Email address, enter “Not Applicable”.
- Item 6: Enter the name and phone number of the Administrative Consultant preparing the application. If the Consultant is self-employed, enter the individual’s name; otherwise, enter the name of the firm.
- Item 7: Enter the name and phone number of the engineering/architectural **firm** preparing the application. Enter the name of the firm, not the name of an individual.
- Item 8: Enter an Email address for the Administrative Consultant preparing the application. If the Administrative Consultant does not have an Email address, enter “Not Applicable”.
- Item 9: Enter an Email address for the Engineer/Architect preparing the application. If the Engineer/Architect does not have an Email address, enter “Not Applicable”.
- Item 10: Enter applicant’s FAX number. If the applicant does not have a FAX number, enter “Not Applicable”.
- Item 11: Enter the Parish in which the applicant is located.
- Item 12: Identify the national objective addressed by the proposed activity by placing an “x” in the []. Mark only one national objective for the application.

Principal benefit to low/moderate income persons is an objective that will be addressed by an activity whose beneficiaries will be at least fifty-one percent low/moderate income.

In order to claim that the proposed activity meets the objective of elimination or prevention of slums and blight, the following must be included. An area must be delineated by the applicant that:

- (1) Meets the definition of slums and blight as defined in Act 570 of the 1970 Parish Redevelopment Act, Section Q-8 (See Appendix 2 of the FY 2006 Action Plan), and
- (2) Contains a substantial number of deteriorating or dilapidated buildings or improvements throughout the area delineated.

The applicant must describe in the application the area boundaries (map), the conditions (number of deteriorated or dilapidated buildings or improvements) of the area at the time of its designation, and how the proposed activity will eliminate the conditions that qualify the area as slum and blight. Attach a narrative containing the above specifics as well as a map identifying the slum/blight area. If the slum/blight area is different from the target area, include a separate map.

Item 13: Enter the total amount of LCDBG funds being requested.

Item 14: Identify all funds that will be used for completion of the project. Include funds requested through this application and any other funding sources to be utilized. List amount of funds in each category and specific source of these funds. For example, "Local Funds" are any funds included in total project costs contributed by the unit of local government submitting the application. "Private Funds" are those from sources other than governmental entities such as private businesses, banks, etc. Any funds received through other state programs that are used for this specific project would be listed under "Other State Funds." Any federal funds, such as EPA, USDA Rural Development, etc., should be listed under "Federal Funds." Any other funds not previously identified to be used for the project should be listed under "Other" and the source specified. For each funding source, indicate the status of the funds, i.e., application being prepared, application submitted, preliminary approval, final approval.

Item 15: The chief elected official must sign on line 15.

Item 16: Enter the date the application was signed by the chief elected official.

Item 17: Type or print the name and title of the chief elected official signing the application.

Item 18: Enter the applicant's telephone number.

LCDBG PROGRAM

SUPPLEMENTAL INFORMATION

APPLICANT NAME _____

1. Identify the name and telephone number of the State Senator(s) representing your jurisdiction. Also identify the district number for each.

Name

Senate District #

2. Identify the name and telephone number of the State Representative(s) representing your jurisdiction. Also identify the district number for each.

Name

Representative District #

3. Identify the U.S. Congressman representing your jurisdiction and congressional district number.

Name

Congressional District #

4. Target Area Zip Code + Four digits: _____ - _____

5. Indicate an "x" as to whether the proposed project will involve a community-wide project, a target area or only limited clientele. If a target area is involved, enter the name(s) of the target area(s). Also, list the census tract(s), block group(s), and logical record number(s) for each area.

Limited Clientele only []

Community wide [] Census Data _____

Target area [] Census Data _____

Name of target area _____

6. Applicant's fiscal year end date _____

INSTRUCTIONS

Supplemental Information

- Item 1: Enter the name, telephone number, and district number of each State Senator representing the local governing body for community-wide projects. If the project involves a target area(s), enter the names of only those State Senators representing the target area(s).
- Item 2: Enter the name, telephone number, and district number of each State Representative representing the local governing body for community-wide projects. If the project involves a target area(s), enter the names of only those State Representatives representing the target area(s).
- Item 3: Enter the name and district number of each Congressman representing the local governing body.
- Item 4: Enter the zip code + four digits for the project target area. (Note: If you are unsure of your + four digits of your zip code, please contact your local post office.) Please refer to the following scenarios which best describe the location of your project area.
- The zip code + four digits of the city/town/village hall should be used for applicants whose project is community-wide.
 - For a project with multiple target areas, the zip code + four digits of the target area where the majority of the construction funds will be spent must be used.

Note: If you have any questions or need assistance, please call Carol Newton at (225) 342-7412.

- Item 5: Please indicate by placing an “x” in the appropriate box to describe the project type as one of the following: Limited Clientele, community wide, or target area. If a target area is involved, please provide the name of the target area. If the target area does not have a name, please provide a brief geographical description of the area such as “western portion of the city”.

Also, indicate beside the community-wide or target area its census tract number(s), block group numbers(s), and/or logical record number(s). Do not enter the census information if your application has only Limited Clientele activity.

- Item 6: Enter the applicant’s fiscal year end date. (The ending date covered by the financial report)

LCDBG PROGRAM
BUDGET/COST SUMMARY FORM

APPLICANT NAME

I. Costs by Activity (Read Instructions Before Completing)				
Activity (A)	LCDBG (B)	Other (C)	Total (D)	Source of Other Funds ¹ (E)
1.				
2.				
3.				
4.				
5.				
TOTAL				

II. Line Item Budget		For State Use Only
1. Acquisition of Real Property	\$	\$
2. Public Works, Facilities, Site Improvements	\$	\$
a. Community Center	\$	\$
3. Other	\$	\$
4. Other	\$	\$
5. Other	\$	\$
6. Other	\$	\$
7. TOTAL	\$	\$

¹ If other funds are being injected in a public facilities/community center project, refer to the "Certification of Other Funds" form on page 143 and the corresponding instructions.

INSTRUCTIONS
Budget/Cost Summary

Enter Name of Applicant.

SECTION I. COSTS BY ACTIVITY

Column A: List each activity on a separate line.

Columns B,
C, D, & E: For each activity, complete the cost columns. Indicate all LCDBG money you are requesting in Column B. Lump together all other funds you will use to accomplish the activity and show these costs in Column C. Add together LCDBG (B) and Other (C) and record the result in Column D. In Column E, identify the sources of the funds listed in Column C.

Be sure to include all costs related to an activity in the cost columns. For example, if you intend to construct a new community center, you must include the architectural costs, construction costs, inspection costs, etc.

If other funds are being injected into a public facilities project, please refer to the "Certification of Other Funds" form on page 143 and the corresponding instructions.

SECTION II: LINE ITEM BUDGET

Include LCDBG costs only in this budget. In this section, the costs shown in the LCDBG column of Costs by Activity in Section I. should be broken down by the type of cost. In the community center example used previously, the acquisition cost of property, appraisal cost, and any legal fees relating to the acquisition of property would appear in Section II, Line 1. The construction costs, and architectural fees would appear in Section II, Line 2a.

LCDBG PROGRAM TIME SCHEDULE						APPLICANT NAME:						
ACTIVITIES	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 5	Quarter 6	Quarter 7	Quarter 8	Quarter 9	Quarter 10	Quarter 11	Quarter 12
Activity #1 Milestones a. b. c. d. e.												
Activity #2 Milestones a. b. c. d. e.												
Activity #3 Milestones a. b. c. d. e.												
Activity #4 Milestones a. b. c. d. e.												

INSTRUCTIONS

Program Schedule

The LCDBG program may have a duration of three years (twelve quarters). On this schedule, for each major activity, indicate when completion of major project milestones is expected. For example, milestones could be acquisition of property, design, bid advertisement/award, construction, acceptance of work, and release of liens.

Consider the activities and decide what major tasks must be accomplished to complete them. List these tasks as milestones under **each** activity. Then indicate by lines on the twelve quarter schedule showing when these tasks will occur. **For each activity also estimate projected expenditures by dollar amount for each quarter. The expenditures should reflect all funds (LCDBG and other) being used to complete the activity. Distinguish between the funds by source and amount.**

If more space is needed, attach additional sheets.

When completing this form, identify **each** activity as it corresponds to the line item budget (Section II. of the Budget/Cost Summary Form). For example, the completion of a community center could involve the activities of acquisition (II. 1. on the line item budget) and community center construction (II. 2a. on the line item budget).

LCDBG Community Center --- Activity Beneficiary Form

☐ Community-Wide ☐ Target Area

Applicant:

<i>List name of each activity or type of service excluding Admin & Acquisition:</i>	1)		2)		3)	
	#	%	#	%	#	%
Families (total):						
Elderly Head of Family:						
Female Head of Family:						
Handicapped Head of Family:						
Persons (total):						
Total Mod/Low/ExLow Income:						
Moderate Income:						
Low Income:						
Extremely Low Income:						
Elderly:						
Handicapped:						
Race and Ethnicity	Race	Of Total #, Indicate #	Race	Of Total #, Indicate #	Race	Of Total #, Indicate #
	Total #	Hispanic*	Total #	Hispanic*	Total #	Hispanic*
American Indian or Alaskan Native:						
Asian:						
Black or African American:						
Native Hawaiian or Other Pacific Islander:						
White:						
Am. Indian or Alaskan Native <i>and</i> White:						
Asian <i>and</i> White:						
Black or African American <i>and</i> White:						
Am. Indian or Alaskan Native <i>and</i> Black:						
Other Multi-racial:						

* Hispanic or Latino

INSTRUCTIONS FOR THE ACTIVITY BENEFICIARY FORM(S)

Activity Beneficiary Form Instructions Unique to Community Centers

Multiple Activity Beneficiary Forms Required for Community Centers An Activity Beneficiary Form, page 111, will become a Service Activity Beneficiary Form if the type of service is listed at the top of the columns. A Service Activity Beneficiary Form must be completed for each service to be provided. Additionally, a Combined Activity Beneficiary Form serves to accumulate total data from (a) normal survey methodology as discussed beginning on page 114 or (b) Limited Clientele methodology.

Service Activity Beneficiary Form for Community Centers Service Activity Beneficiary Form(s) must be completed. Each service to be provided should occupy one column. Use as many forms as necessary since only three services will fit on each form.

A letter of commitment from service providers, such as on pages 135 - 136, will have an attachment that will provide the **number** of persons the service provider expects to benefit. Using that number, the Service Activity Beneficiary Form will list the number of persons provided by the letter of commitment. Other subcategories of income levels, race, handicapped status, et cetera, may be projected by the use of census data percentages or in some cases where census data would not directly apply some reasonable method should be used. For instance, a teen counseling program would not have the elderly persons as beneficiaries; therefore, some method other than the use of census percentages would be used for filling out the “Elderly” persons benefiting on the Service Activity Beneficiary Form. State the method used at the bottom of each Service Activity Beneficiary Form or on an attached page.

Combined Activity Beneficiary Form—Community Centers A combined Activity Beneficiary Form must be completed. The activity should be listed as “Community Center” at the top of the column. If any of the services to be offered at the community center are to be offered throughout the entire target area, then the Combined Activity Beneficiary Form should be completed using census data, household surveys or a combination of both as discussed beginning on the bottom of page 114.

Example of Limited Clientele Only—Community Centers Some community centers will provide services to specific groups of people, called Limited Clientele, and may not have any community-wide services. For example, a program designed to help illiterate adults learn to read would be targeted to only a segment of persons residing in the community. Likewise, a program offering meals for elderly persons would target only a segment of a community. An applicant which has only Limited Clientele service providers would complete the Service Activity Beneficiary Form in the same manner previously described under “Service Activity Beneficiary Form”. However, the completion of the Combined Activity Beneficiary Form is different as described in the following two paragraphs.

Combined Activity Beneficiary Form for Limited Clientele Applicants—Community Centers A method to prevent multiple-counting must be utilized. For example, when a service is offered to illiterate adults and a different service is offered to the elderly in need of counseling, there may be some illiterate and elderly persons who are counted twice—once for each type of service. Consequently, if numbers were copied directly from the Service Activity Beneficiary Forms in order to complete the Combined Activity Beneficiary Form then multiple-counting would probably happen.

Below are the steps necessary to complete the Combined Activity Beneficiary Form when all services to be provided are Limited Clientele. These steps should reduce multiple-counting.

1. Complete the Service Activity Beneficiary Forms.
2. Sum the number of families (or persons) for each category from the Service Activity Beneficiary Forms. Begin with the summing of the category of “Families” located on the top row. Next, on the second row, sum all of the entries for “Elderly Head of Family”. Continue summing entries for each row until ending the process by summing the entries for the last row, “Other Multi-racial”.
3. Determine how many **persons** would actually benefit if there were no multiple-counted persons. You should analyze the persons for each service and reduce the number of persons appropriately to eliminate the multiple counting. At the bottom of each Service Activity Beneficiary Form record the rationale for reductions.

Example: In step 2 the “persons” category is 2,000 (over-counted persons)
In step 3 the actual persons is 1,500 (after reducing for multiple counting)

4. Divide Actual Persons by Over-counted Persons to obtain the Actual Person Percentage.

Example: 1500 divided by 2000 equals 0.75% (Actual Person Percentage)

5. Apply the “Actual Persons Percentage” to all of the totals for categories which were summed in step two. Begin with “Families” then “Elderly Head of Family” and so forth until ending with “Other Multi-racial”. Round off to the nearest whole person. Transfer the final beneficiary numbers to the Combined Activity Beneficiary Form. Record the Actual Persons Percentage at the bottom on the Combined Activity Beneficiary Form as follows: Actual Persons Percentage = _____%.
6. Some round off error may occur. If this happens, adjust the number of extremely low, low, or moderate persons to add up to the total number of LMI persons. Likewise, make any necessary adjustment to insure that the totals in the “Race and Ethnicity” categories add up to the total number of LMI persons.

Combined Activity Beneficiary Form Completion Based on Census Data and/or Household Surveys

The following information will be needed to fill out the Combined Activity Beneficiary Form for most Community Center applicants which record beneficiaries using census data and/or household survey data. Applicants who have only Limited Clientele activities will use the method described previously, beginning at the bottom of page 113. It should be noted that the Service Activity Beneficiary Form, as described on the top of page 113, must be filled out by all Community Center applicants.

The applicant must utilize census data (if available) and/or conduct a local survey. Census data by parish for the logical record numbers has been made available on spreadsheets compiled by this office. The information on the spreadsheets are sorted by (1) census tract and block group order, (2) by incorporated areas (and census defined places) and unincorporated areas, and (3) by census tracts. Also included are the logical record numbers for these areas. The spreadsheets can be accessed on the office website, or can be emailed. The spreadsheets contain a copy of the (Combined) Activity Beneficiary Form and it can be completed by copying information from the spreadsheets. A tutorial is provided on the website, or can be emailed. Please contact either William Hall or Natasha Bland to have the spreadsheets sent to an email address.

You will first need to determine the target area being served by the project. Then check census maps to determine if you will need to use information for a census tract(s), block group(s), or logical record number(s). Go to <http://www.census.gov/> and click on **American FactFinder** from the selection on the left. At the bottom of the **American FactFinder** page you will find a selection titled **Maps -Locate Census Geographies**. Choose **Reference Maps**. A map of the United States will appear in the top half of the web page and the box to enter a street address is on the bottom half. The easiest method is to use the street address(es) of your target area. Enter the street address in the address box and click on the **Go** button. A map will display with Census Tracts and Block Group numbers. For a more detailed identification of Census Tracts and Block Groups in your target area, click on a lower **Zoom** button on the right.

If you do not have the street address(es) of your target area, then you can do a map search for your target area by clicking on Louisiana on the Map of the United States that will appear after you choose **Reference Maps**. Then click on the Parish of the target area. Identify a place that is near the target area and place your cursor on that area and click. Each subsequent click will provide more detailed maps with Census Tracts and Block Groups. You can also reposition the map by clicking on the directional arrows.

Once you have found the correct logical record number for the target area on sheet 1 of the spreadsheets, find the number on sheet 2. Sheet 2 contains data from the HUD Census website. Open the Activity Beneficiary Form spreadsheet. Find the “Enter Here” cell. Return to sheet 2 of the spreadsheets. Find the row for the logical record number. Start with Column A and copy the row from Column A to Column CU. Return to Activity Beneficiary Form sheet. Place the cursor in Column A and paste. The Activity Beneficiary Form will be completed. If you need assistance in obtaining census information or following the tutorial please contact either William Hall or Natasha Bland of this office.

When a project area does not coincide with census tracts, block groups, or logical record numbered areas, an applicant must conduct a local survey or combine census data with a local survey. For instance, if a project area encompasses an entire logical record numbered area, but is larger than the logical record numbered area, (however does not encompass the entire neighboring logical record numbered area), the applicant would utilize the census data for the logical record numbered area, and conduct a survey of the additional area(s) which are outside of the logical record numbered area and combine the data. You would complete an Activity Beneficiary Form for the logical record number area, a Survey Tabulation Form and Activity Beneficiary Form for the surveyed area(s), then an Activity Beneficiary Form combining the information from the two. See page 123 for a demonstration of these procedures. If there is more than one outside area, and the areas are not contiguous with each other but are both contiguous with the logical record number area, one survey would cover both areas. For target areas that are smaller than the logical record numbered area they are located in, a local survey must be conducted. The survey sheet provided in this package must be used. Survey data must also be tabulated and submitted on the forms provided; survey data submitted on forms other than those provided will not be accepted.

You must mark the appropriate box in the top left corner of the *Activity Beneficiary* form that corresponds to the appropriate designation, i.e. ☐ **Community-Wide** or ☐ **Target Area**.

The following definitions must be used when completing this form.

- Household – a dwelling unit and all persons who reside therein. The occupants may be a single family, one person living alone, unrelated individuals, two families, etc.
- Family – all persons living in the same household who are related by blood or contract (birth, marriage, adoption). In some instances, two families could reside in one household. Therefore, a household could involve one or more families.
- Low/Moderate Income – persons, families, or households whose combined annual income does not exceed eighty percent of the parish median income.
- Moderate Income – persons, families, or households whose combined annual income exceeds fifty percent but does not exceed eighty percent of the parish median income.
- Low Income – persons, families, or households whose combined annual income exceeds thirty percent but does not exceed fifty percent of the parish median income.
- Extremely Low Income – persons, families, or households whose combined annual income does not exceed thirty percent of the parish median income.
- Elderly – persons or head of family aged 62 or above.
- Handicapped – persons or head of family receiving disability payments or having an obvious handicap.
- American Indian or Alaskan Native – A person having origins in any of the original peoples of North and South America (including Central America), and who maintains tribal affiliation or community attachment.
- Asian – A person having origins in any of the original peoples of the Far East, Southeast Asia, or the Indian subcontinent including, for example, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand, and Vietnam.
- Black or African American – A person having origins in any of the black racial groups of Africa.
- Native Hawaiian or Other Pacific Islander – A person having origins in any of the original peoples of Hawaii, Guam, Samoa, or other Pacific Islands.
- White – A person having origins in any of the original peoples of Europe, the Middle East, or North Africa.
- Hispanic or Latino – A person of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race.

Please be aware that if you are using logical record numbers to retrieve your data, the following categories are not available: American Indian or Alaskan Native *and* White; Asian *and* White; Black or African American *and* White; and American Indian or Alaskan Native *and* Black. In this case, these persons should be included under “Other Multi-racial”.

Please refer to the definitions above concerning the racial/ethnic categories listed in this section. Enter the number of persons in the appropriate racial category under the “Total” column. Of the number in the “Total” column, enter the number of persons that are of Hispanic or Latino ethnicity in the “Hispanic” column.

When identifying the number of persons by income category, each person should be included in only one category. For example, the number of extremely low income persons should not be counted in the number of low income persons. Each income category is self-contained and is not inclusive of other income categories. The number of persons identified as within moderate income limits, within low income limits, and within extremely low income limits should equal the total the number of low/moderate income persons. To calculate the percentage of persons for each income group, you should divide the number of persons in the income category by the total number of persons surveyed, then multiply the result by 100. This percentage should be calculated to two decimal points. For example: If 373 persons surveyed are of extremely low income, and there is a total of 775 persons surveyed, the percentage of extremely low income persons is 48.13.

If a local survey is involved, this form must identify all beneficiaries, not just those surveyed. If all families were not surveyed, projections must be made based on the survey results. Follow these steps using the information on the *Survey Tabulation* form to project the total number of persons.

1. Total persons surveyed divided by total families surveyed = average persons per family
Example: 775 total persons surveyed divided by 290 total families surveyed = 2.67 average persons per family
2. Average persons per family multiplied by total families in target area = Total persons
Example: 2.67 average persons per family multiplied by 625 total families in target area = 1,669 total persons

Follow these steps using the information calculated above and the information on the *Survey Tabulation* page to project the number of persons in the income categories and racial or ethnicity categories.

1. Percentage of persons from income category divided by 100, multiplied by total persons = projected number of persons in an income category.
Example: 48.13 percent of persons of extremely low income divided by 100 = 0.4813
0.4813 multiplied by 1,669 total persons = 803 persons projected to be of extremely low income

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SURVEY TABULATION FORM

Name/Description of Target Area _____

This form must be completed for community center activities that involve a local survey.

1. Total number in Universe _____
2. Total occupied houses in target area _____ Total houses surveyed in target area _____
3. Total families in target area _____ Total families surveyed in target area _____
4. Total persons surveyed _____
5. What is the ethnic/racial background of the persons? Give totals.

	<u>Total</u>	<u>Hispanic/Latino</u>
American Indian/Alaskan Native	_____	_____
Asian	_____	_____
Black/African American	_____	_____
Native Hawaiian/Other Pacific Islander	_____	_____
White	_____	_____
American Indian /Alaskan Native <i>and</i> White	_____	_____
Asian <i>and</i> White	_____	_____
Black/African American <i>and</i> White	_____	_____
American Indian/Alaskan Native <i>and</i> Black	_____	_____
Other Multi Racial	_____	_____

6. Total families where head of household is:
elderly:____ female:_____ handicapped:_____
7. Total elderly persons _____ Total handicapped persons _____
8. Family income totals:
 above moderate income limits # of persons # of families
 within moderate income limits _____
 within extremely low income limits _____
9. Identify the data sources and a detailed description of the survey methodology used.

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INSTRUCTIONS

Survey Tabulation Form

A household survey will be necessary when a target area does not match census data area(s). In some cases a portion of the census data will be applicable to part of the target area but household surveys must be used to cover the rest of the target area.

If conducting a household survey is necessary, a complete set of survey forms must be submitted with the application as well as this *Survey Tabulation* form. Survey data must be submitted on the forms provided in this application package. The income categories shown in Chapter VI of this application package will be used as the basis of determining the specific income categories. The *Income By Family Chart* included in Chapter VI should be completed for the Parish in which the project is located. This completed chart should be used when conducting the survey and a copy of your completed chart must be submitted with your application. The required survey sample size for public facilities projects is identified on page 192.

When a survey is required, local surveys which were conducted for the FY 2004 – FY 2005 funding cycle may be used/resubmitted for no more than two funding cycles for public facilities applications if the following two requirements are met. 1) Surveys originally conducted for the FY 2004 and FY 2005 program years (for the current target area or portion thereof) must have included information for the correct random numbered residential structures as provided by the Office of Community Development. If the target area boundaries have been expanded from the previously surveyed target area, a current survey of the expanded portion of the target area must also be conducted, using the correct random numbers for the expanded area. Combined, the previously conducted survey and the current additional survey must account for all residential structures in the total target area. Or, the applicant may choose to re-number all residential structures in the entire target area, and conduct a new survey (also, the applicant could utilize data from the FY 2004-FY 2005 survey if the same addresses from both surveys coincide with the required random numbers). If the target area boundaries are smaller than the previously surveyed area, the surveys of the residences no longer in the target area can be removed from the previous survey, or the applicant may choose to re-number all residential structures in the smaller target area and conduct a new survey. 2) The data gathered for each survey must conform to the requirements of the program year for which funds were originally requested.

If an applicant is resubmitting survey data used for the FY 2004/2005 Program years, then a copy of those survey forms must be submitted with the current application. The Office of Community Development will not be responsible for retrieving the surveys from a previously submitted application.

If you have any questions regarding the use of local survey data, please contact Ms. Carol Newton at 225/342-7412.

Item 1. Number in Universe

This is the total number of residential (occupied and vacant) structures in the target area. This number determines which random numbers table is used to conduct the survey.

Item 2. Total Occupied Houses in Target Area

Unless a one hundred percent survey was conducted, the following procedure should be used to determine this number.

$$\frac{\text{Number of survey attempts} - \text{Number of vacants/businesses/exempts}^*}{\text{Total number of survey attempts}} = \% \text{ Occupied Houses}$$

$$\% \text{ of Occupied households} \times \text{Number in universe} = \text{Total occupied houses in target area}$$

***Include any non-residential buildings or camps that were accidentally included in the universe.**

For example:

313 – Universe

235 – Total surveyed houses, vacants, unreachables, businesses and exempts

- 9 - Subtract vacants, businesses, and exempts (include any camps or other non-residential buildings that may have accidentally been included in the universe)

226 - Known occupied houses as a result of the survey. (this is also the number of surveyed houses plus the unreachables). In this case, 200 houses were surveyed, plus 26 unreachables)

226 divided by 235 = 96.17% (This is the percent of occupied houses based upon the survey).

.9617 x 313 = 301 projected occupied houses

Item 5. Racial/Ethnic Background

Please refer to the definitions included in the instructions of the *Activity Beneficiary* Form concerning the racial/ethnic categories listed in this section. Enter the number of persons in the appropriate racial category under the “Total” column. Of the number in the “Total” column, enter the number of persons that are of Hispanic or Latino ethnicity in the “Hispanic” column.

Item 8. Family Income Totals

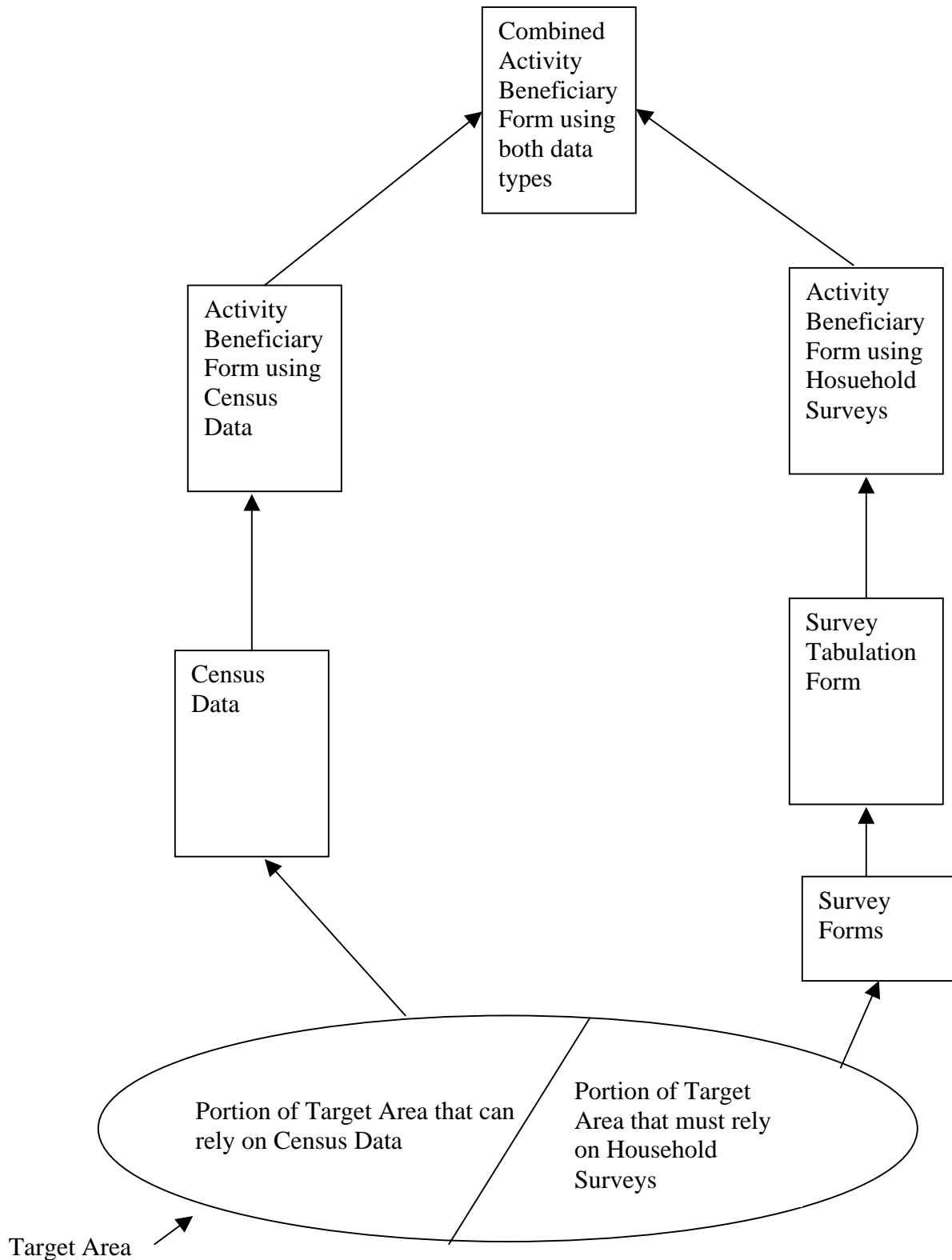
When identifying the number of persons and number of families by income category, each person and family should be included in only one category. For example, the number of extremely low income persons should not be counted in the number of low income persons. The number of persons identified as above moderate income limits, within moderate income limits, within low income limits, and within extremely low income limits should total the number of persons surveyed. This same procedure is true for the number of families identified by income category.

Item 9. Survey Methodology

Please identify the method used to determine which households in the target area would be surveyed. If you are conducting a local survey rather than using census data, then you must be very detailed in explaining all steps taken when conducting your local survey.

Activity Beneficiary Form Demonstration

The following diagram illustrates the flow of information for combining census data with household survey results when the census data alone is not sufficient.



SURVEY FORM FOR COMMUNITY CENTER PROJECTS

Community _____ Surveyor _____ Street Name_____ Date _____ Name and Street Address	Map Key	Occupied House	Surveyed House	# OF OCCUPANTS	HEAD OF FAMILY			NUMBER IN FAMILY	ETHNIC/ RACIAL BACK- GROUND**								FAMILY INCOME						
					Female	Elderly	Handicapped		Elderly	Handicapped	AI/AN	Asian	B/AA	NH/OPI	White	AI/AN and White	Asian and White	B/AA and White	AI/AN and Black	Other Multi-racial	High	Moderate	Low
										/	/	/	/	/	/	/	/	/	/				
										/	/	/	/	/	/	/	/	/	/				
										/	/	/	/	/	/	/	/	/	/				
										/	/	/	/	/	/	/	/	/	/				
										/	/	/	/	/	/	/	/	/	/				
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										/	/	/	/	/	/	/	/	/	/				
Page Totals										/	/	/	/	/	/	/	/	/	/				

* Required for projects involving the installation of new service connection lines or improvements to existing service connection lines on private property.

** In the top half of the box, enter the number of persons in the family that is of that race. In the bottom half of the box, enter the number of those persons that are of Hispanic/Latino ethnicity.

AI/AN=American Indian/Alaskan Native B/AA=Black/African American NH/OPI=Native Hawaiian/Other Pacific Islander

INSTRUCTIONS

Survey Form

This survey form must be used for Public Facilities projects that require a survey. A detailed map of the target area(s) that corresponds to the survey must be included in the application. See the instructions for Maps on page 130 for more details. Also, Chapter VI of this application package contains a draft memorandum from the U. S. Department of Housing and Urban Development regarding survey methodology and the FY 2005 income limits that should be used when conducting a survey. Also, the *Income By Family Chart* included in Chapter VI should be completed for the Parish in which the project is located. This completed chart should be used when conducting the survey and a copy of your completed chart must be submitted with your application. A detailed explanation of proper surveying procedures follows the explanations of the columns in the *Survey* form. Be sure to review **all** of the information in this section and Chapter VI carefully **BEFORE** you begin the survey process.

Map Key - Enter the number from the map that corresponds to the structure listed on the survey form.

Occupied House - Place an "x" in the box if the house is occupied.

Surveyed House - Place an "x" in the box if the family in the house has been surveyed and all of the required information was collected.

Number of Occupants - Enter the number of persons in the family.

Head of Family - Check the appropriate box if the head of family is female, elderly, or handicapped.

Number in Family - Insert the number of persons in the family that are elderly and/or handicapped.

Ethnic/Racial Background - Enter the number of persons in the family that correspond to the racial categories in the top half of the box. Enter the number of persons listed in each race category that are of Hispanic or Latino ethnicity in the bottom half of the box.

Family Income - The income category for families/persons must be determined based upon the number of persons in the family. The surveyor should determine the income range that corresponds to the family's annual income with consideration to the number of persons in the family by using a completed *Income By Family Chart*. The *Income By Family Chart* is shown on page 171 and the instructions for the chart are on page 172.

Enter the number of persons in the appropriate income category column.

Total the columns at the bottom of each survey page. You may include a summary sheet that includes totals from each page to get an overall total for the project.

Please note the following when conducting your surveys:

- Persons in correctional institutions cannot be counted as program beneficiaries.
- Camps that are used for recreational purposes, weekend retreats, etc. will not be counted as occupied households. For the purposes of the LCDBG program, these units will be considered as exempt.
- If there is a group home located in your target area, please call Ms. Carol Newton at the Office of Community Development in order to determine if the residents of the home should be counted as beneficiaries.

An example of a completed field map and a survey form is shown on pages 128-129.

Surveying Procedures

In order to ensure that surveys are conducted on a random basis, the U. S. Department of HUD issued the DRAFT memorandum that is shown in Chapter VI of this application package. Please use the following procedures when conducting your survey.

The survey must be done using a map or customer list identifying all structures in the area. You may choose to complete a separate map of each street identifying each structure, but you would also need a map of the area that shows all streets in the area. This will enable the State to verify that no street was omitted from the individual street maps. You must identify on the map or customer list which structures are commercial or exempt. Then, you must number all residential structures (occupied *and* vacant) on the map or the list in a consecutive order. The total number of residential structures will be your **UNIVERSE** size.

At that point, you must call the OCD at 225/342-7412 to obtain a random numbers table for your universe. For example, if you have 213 residential structures, then you will call the OCD and ask for a random numbers table for a universe size of 213. Occasionally you may find that a business or exempt structure has accidentally been assigned a number and was counted in the universe. The following paragraph provides instructions for this situation also.

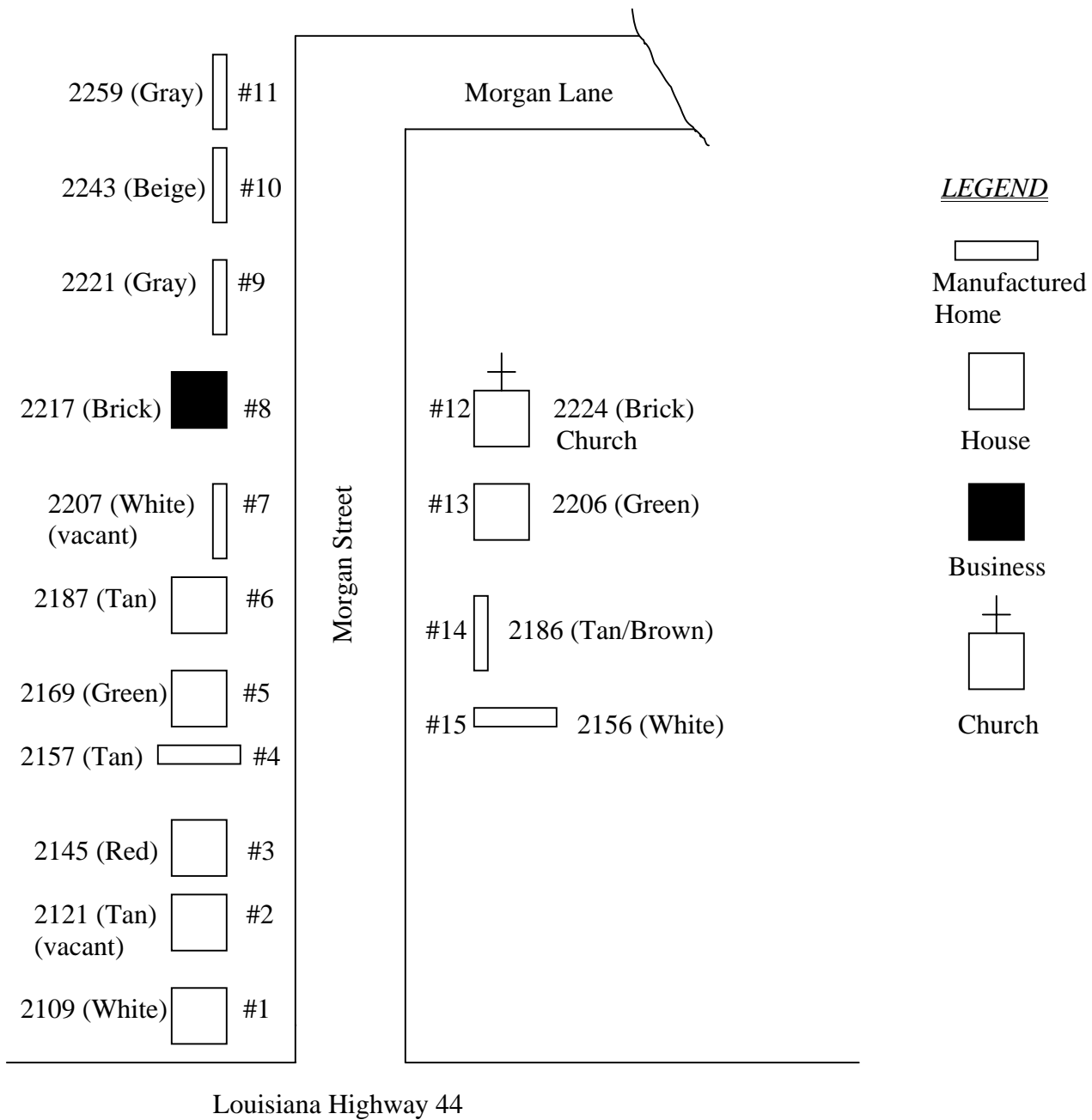
When randomly identifying the houses at which to conduct interviews, you must use the random numbers table that you will obtain from the OCD. **List all “required” numbers from the random numbers table in order they are shown in the Map Key column of the survey form. The “extra” numbers on your random numbers table would be used only if your survey finds “unreachables”, vacants, businesses, or exempts in your originally identified “required” numbers on your random numbers table. The “extra” numbers must be used in the order they appear on the table. List the “extra” numbers from the table following the “required” numbers.** You will only use the number of surveys required by the survey sample size chart when completing your *Survey Tabulation* form and your *Activity Beneficiary* form.

An “unreachable” is defined by the Office of Community Development as a house that cannot be surveyed after three separate attempts to obtain the survey, or an outright refusal to give the required information. You should try at different times of the day if the first attempt to obtain the survey is unsuccessful. If you determine that you had 5 “unreachable” houses after completing your surveys, then you would substitute the first 5 houses from your “extra” section for those 5 “unreachables”. You should document the reason that a structure has been classified as “unreachable” on the survey form. If the documented reason is that no one was home at any of the times you visited the house, then you must maintain a list of the number of

times you visited the house and the time of day the visits occurred. This documentation does not have to be submitted with the application, however, the OCD may request the documentation if necessary.

SAMPLE OF SURVEY FORM

GOES ON THIS PAGE



MAPS

A map(s) that delineates the following items must be included in the application package:

1. Census tracts and/or block groups (by number) and/or logical record numbers; and any areas located outside of useable census data areas that require household surveys.
2. Location of concentrations of minorities, showing number and percent by census tracts and/or block groups, and/or logical record numbers.
3. Location of concentrations of low and moderate income persons, showing number and percent by census tracts and/or block groups and/or logical record number.
4. Location of the target area.

NOTE: Please be sure that the information regarding census data is correct. The instructions on page 114 can be used to help you identify the correct census tracts and/or block groups. The State staff uses this information to verify the rating point awarded for the target area being located in a renewal community.

For projects that require a survey, a detailed field map identifying every structure on each street must be provided if you are not using a utility customer list generated by the local government to conduct your survey. Each residential structure (occupied *and* vacant) must be identified by a number. The numbers must be in a consecutive order. You should not have numbers 20 through 25 and number 213 identifying structures on the same street. The following two types of field maps will be acceptable.

1. One map identifying all houses in the surveyed area. Each residential structure should be numbered in consecutive order.
2. One map of each street identifying all residential structures on the street and one map of the entire surveyed area. Each residential structure should be numbered in consecutive order.

LCDBG PROGRAM

PUBLIC FACILITIES COMMUNITY CENTER

APPLICANT NAME:

PROJECT DESCRIPTION

(Use only one sheet per target area)

INSTRUCTIONS

Project Description Form

Provide a concise description of the community center project for which you are requesting funds. The description should include the following:

- Identify the proposed project, location of the proposed project, etc.
- Indicate whether your project will require acquisition.
- Identify who will retain ownership of the center after the completion of the project. Describe the method by which the applicant can ensure that adequate revenues will be available to operate and maintain the proposed project. The description must identify the source and the estimated amount of funds that will be generated for this purpose.
- The applicant must describe the types of services that will be available at the center, including an explanation of the benefit to persons in the target area or the service's clientele.
- Describe the physical boundaries of the target area.

With attached “Letter of Commitment” from each service provider

[illegible]

INSTRUCTIONS

Utilization and Proximity Form

Each Service Provider and service described in the Project Description must be listed on this form.

Please use the following instructions when completing this form.

Name of Service Provider

Enter the name of the provider of the service. A Service Provider will be a particular company, government entity, or non-profit organization.

Type of Service

Enter the type of each service that will be provided at the community center. Examples of public services include, but are not limited to: child care, health care, job training, education programs, public safety, senior citizen services, services for homeless persons, drug abuse counseling and treatment, welfare services, and recreation services such as “volleyball”, etc.

The primary purpose of the services offered will be for non-recreational community uses. Although all recreation services are to be listed, they will be counted as only one service provider and only one service for rating purposes.

Frequency of Service

The following terms must be used in this column to describe how often the services are available to persons in the target area.

- Daily – Service is available five days a week, eight hours a day.
- Part-time Daily – Service is available five days a week, less than eight hours a day.
- Not Daily – Service is not offered on a daily basis.

Are Services Currently Available

If the service is currently available to persons in the target area, enter “yes”. If the service is not currently available to persons in the target area, enter “no”.

Distance in Miles

Enter the distance in mileage between the proposed community center and the location at which each of the services are currently being provided. If the distance exceeds forty miles just enter “Maximum”.

Letters of Commitment and Description of Service Forms Letters of commitment from all service providers must be submitted with the application. All letters must be on the service provider’s letterhead. Each letter must be in the format of the example on page 135 and have as attachment(s) the completed Description of Service form(s) as on page 136.

Sample Letter of Commitment (On Service Provider's Letterhead)

DATE

Honorable John Smith
Mayor, Town of Winter Valley
Post Office Box 1234
Winter Valley, LA 70818

Re: FY 2006/2007 LCDBG Community Center Application

Dear Mayor Smith:

We understand that the Town of Winter Valley desires to submit an application for Louisiana Community Development Block Grant (LCDBG) funding for a community center. We are pleased to provide the services listed on the attached "Description of Services" form to the persons living in Winter Valley and commit to moving into the proposed Community Center upon completion of construction.

If you have any questions, please call me at (999) 555-5555.

Sincerely,

Ms. Wanda Jones
Director

Attachment(s): Description of Service Forms(s)

Description of Services Form Name of Provider _____

Description of Service _____

How often will services be provided? _____
(Examples: Full time Daily, Part Time Daily, Less than Daily)

Is the service currently provided to persons in the target area? _____

Estimated number of persons that will benefit? _____

Is the service targeting a specific clientele? _____
(Examples could include, but are not limited to: low and moderate income persons, elderly persons, preschool children, homeless persons, single mothers, etc.)

If yes, describe the specific clientele _____

Other Comments: _____

Description of Service _____

How often will services be provided? _____
(Examples: Full time Daily, Part Time Daily, Less than Daily)

Is the service currently provided to persons in the target area? _____

Estimated number of persons that will benefit? _____

Is the service targeting a specific clientele? _____
(Examples could include, but are not limited to: low and moderate income persons, elderly persons, preschool children, homeless persons, single mothers, etc.)

If yes, describe the specific clientele _____

Other Comments: _____

THREE YEAR FINANCIAL PLAN

	<u>First Year</u>	<u>Second Year</u>	<u>Third Year</u>
I. <u>Sources of Revenue</u>	_____	_____	_____
Charges for Events	_____	_____	_____
Sales Tax Dedication	_____	_____	_____
Property Tax Dedication	_____	_____	_____
General Fund Appropriation	_____	_____	_____
Other: _____	_____	_____	_____
TOTAL Sources of Funds	_____	_____	_____
II. <u>Operating Expenses</u>	_____	_____	_____
Employee Compensation	_____	_____	_____
Utilities Expense	_____	_____	_____
Insurance	_____	_____	_____
Depreciation Expense	_____	_____	_____
Other: _____	_____	_____	_____
III. <u>Funds for Maintenance</u>	_____	_____	_____
General Building Expense	_____	_____	_____
Cleanup Expense	_____	_____	_____
Plumbing/Electrical	_____	_____	_____
Roofing Expense	_____	_____	_____
Other: _____	_____	_____	_____
IV. <u>Debt Service</u>	_____	_____	_____
TOTAL Use of Funds (II, III, & IV)	_____	_____	_____

INSTRUCTIONS

Three Year Financial Plan

Each applicant requesting funds for a multi-purpose community center must present a three year financial plan identifying the projected amounts and sources of revenues, operating expenses, and funds for maintenance. The minimum requirements for this plan are shown on the previous page; the applicant may include additional budgetary line items on this form along with corresponding explanations. Sources of revenue can be general sources of the local government, dedicated revenue sources of the local government, and/or receipts from events.

ENGINEER/ARCHITECT'S COST ESTIMATE

(Refer to the instructions for the specific information that must be included herein. Attach additional sheets if necessary.)

Estimated number of weeks of construction: _____

Estimated number of parcels to be acquired: _____

Signature of
Licensed Architect/Engineer

Date

INSTRUCTIONS

Engineer/Architect's Cost Estimate

All proposed community center activities must be accompanied by a detailed cost estimate prepared and signed by a Professional Engineer/Architect licensed in the State of Louisiana. The cost estimate shall contain the cost of construction, architectural fees, and related costs. The construction estimate shall be a listing of construction items (as a bid proposal), estimated quantity, unit of measure, unit price, and amount. A maximum of 10 percent is allowed for construction contingencies.

LCDBG funds may not be used to pay for Resident Project Representative (RPR) services on Community Center projects.

Engineering/architectural fees shall be identified by type in a line item format. Typical items include basic services, property surveying, geotechnical investigation, and testing. Written justification must be provided for all engineering/architectural services other than basic services. The justification is to contain an explanation of why the service is needed and how the proposed fee was derived. Please refer to the document entitled, "Engineering Fee Schedules and Policies for the LCDBG Program" (Chapter VII) for more information concerning eligible fees.

If any other funds (federal, local, etc.) will be used to complete the project, then the cost estimate must identify the amount of those funds as well as the specific use of those funds.

The cost estimate must identify the estimated number of weeks of construction and the estimated number of parcels to be acquired.

See the example on the following page.

Example of Cost Estimate

ENGINEER/ARCHITECT'S COST ESTIMATE

(Refer to the instructions for the specific information that must be included herein.
Attach additional sheets if necessary.)

CONSTRUCTION:

DESCRIPTION	QUANTITY	UNIT OF MEASURE	UNIT PRICE	AMOUNT
General Conditions	Lump	Lump Sum	\$ 35,000.00	\$ 35,000
Site Preparation	Lump	Lump Sum	\$ 20,000.00	\$ 20,000
Foundations	6,000	Sq. Ft.	\$ 8.00	\$ 48,000
Exterior Closure	3,000	Sq. Ft.	\$ 10.00	\$ 30,000
Roofing	6,000	Sq. Ft.	\$ 6.00	\$ 36,000
Insulation and Fireproofing	6,000	Sq. Ft.	\$ 3.00	\$ 18,000
Interior Partitions and Doors	6,000	Sq. Ft.	\$ 5.00	\$ 30,000
Finished Hardware	Lump	Lump Sum	\$ 10,000.00	\$ 10,000
Interior Finishes	6,000	Sq. Ft.	\$ 8.00	\$ 48,000
Millwork and Specialties	Lump	Lump Sum	\$ 36,000.00	\$ 36,000
Canopies and Overhangs	800	Sq. Ft.	\$ 25.00	\$ 20,000
Parking, Walks, and Drives	20,000	Sq. Ft.	\$ 3.50	\$ 70,000
Plumbing	Lump	Lump Sum	\$ 25,000.00	\$ 25,000
Mechanical	Lump	Lump Sum	\$ 34,000.00	\$ 34,000
Electrical	Lump	Lump Sum	\$ 40,000.00	\$ 40,000

Total Estimated Construction Cost: \$500,000

ARCHITECTURAL/ENGINEERING FEES:

Basic Services: \$46,500
Geotechnical Investigation: \$3,000
Testing: \$3,000

ACQUISITION:

Property Acquisition: \$15,000
Property Survey: \$2,500

ADMINISTRATION:

\$35,000

PRE-AGREEMENT COSTS:

Architectural: \$1,500
Administration: \$1,400

TOTAL PROJECT COST:

\$607,900

Estimated number of weeks of construction: 40

Estimated number of parcels to be acquired: 1

Signature of
Licensed Architect/Engineer

Date

JUSTIFICATION FOR ADDITIONAL ARCHITECTURAL/ENGINEERING FEES

Geotechnical Investigation:

For the design of the building foundation. A geotechnical engineering firm will conduct soil borings, make recommendations, and prepare a report. The estimated cost is consistent with similar projects.

Testing:

For quality control of base construction and testing of concrete and other material. The estimated cost is consistent with similar projects.

Property Surveying:

For the acquisition of a 1.5 acre tract for the building site. Cost provided by surveying firm is estimated to be \$2,500.

COST EFFECTIVENESS

- a. Total LCDBG funds requested \$ _____
- b. Total number of persons benefiting _____
- c. Average cost per person \$ _____
(a/b = c)

ENGINEERING/ARCHITECTURAL COSTS CERTIFICATION

I certify that our local governing body will pay all of the engineering/architectural costs associated with the implementation of the FY 2006 - FY 2007 LCDBG program. These costs will include but not be limited to basic design, resident inspection, topographic and/or property surveying, testing, staking, etc.

A resolution adopted by our local governing body is attached which identifies the firm hired and the proposed amount of their contract.

Signature of Chief Elected Official

Date

CERTIFICATION OF OTHER FUNDS

Enter the amount of other cash funds that the applicant will inject into the proposed project.

\$ _____

Verification identifying the amount and source of other funds must be inserted behind this form. Do not identify any local funds that will be used to pay pre-agreement, administrative or engineering costs on this form. This form should involve cash contributions that will be used for the construction of the project.

INSTRUCTIONS

Cost Effectiveness

This form will be used to determine the project cost per person benefiting. In calculating the cost effectiveness, fill out the form using only the LCDBG funds requested for the project. Do not include "other" funds on line a.

- a. On line a., indicate the total amount of LCDBG funds requested.
- b. On line b., identify the total persons benefiting, not just the persons surveyed.
- c. On line c., divide the monies shown on line a. by the total persons benefiting as shown on line b.

For example, if a total of \$700,000 is required to construct a community center project benefiting 1,000 people and \$700,000 is requested from LCDBG funds, the average cost per person would be \$700. Using the same example, if \$300,000 in local funds and \$400,000 in LCDBG funds will be used for that same \$700,000 community center project, the average cost per person would be \$400.

Please note the following information:

The Office of Community Development will not enter rating data from any applications that do not meet the threshold criteria described in Chapter II of this application package as of December 16, 2005. Therefore, those applications will not be in consideration for funding for the FY 2006 program year. For the second year of the funding cycle, FY 2007, the Office of Community Development will enter rating data from any applications that meet the threshold criteria as of December 15, 2006. This may cause a change in the points awarded under the cost effective criteria; the points awarded under cost effectiveness are relative to the other applications that are being considered. Since additional applicants may meet the threshold criteria for FY 2007, there may be changes in the points awarded under cost effectiveness and in the ranking of the projects.

Engineering /Architectural Costs Certification

This form must be completed by those applicants that will pay all of the engineering/architectural costs associated with the implementation of the LCDBG Program. Such costs may include, but not be limited to, basic design, resident inspection, topographic and/or property surveying, etc.

To substantiate that the local governing body will pay the engineering/architectural costs associated with the LCDBG Program, this form must be completed and signed by the chief elected official. A copy of the resolution passed by the local governing body identifying the engineering/architectural firm hired and the proposed amount of the contract must be included in the application. That resolution should also state that local funds will be used to pay the engineering/architectural fees and any other engineering/architectural costs incurred by the local governing body. **The applicant will not receive this point if the required information is not included in the application.**

The following requirement will apply to those applicants that receive the point for paying engineering/architectural costs and are successful in receiving a grant. If such grantees have an under-run in their project costs, the grantee will not be allowed to re-budget those monies for the purpose of reimbursing the local governing body for any engineering/architectural costs associated with the LCDBG Program

Certification of Other Funds

If no other funds are being used in conjunction with the LCDBG funds for construction purposes, it is not necessary to complete this form. Do not identify any local funds that will be used to pay pre-agreement, administrative or engineering costs on this form. This form should involve cash contributions that will be used for the construction of the project.

Some projects may cost more than can be requested under the LCDBG Program. Therefore, the applicant may propose to use other funds in conjunction with the LCDBG funds. Applicants that want to use other funds in conjunction with LCDBG funds must have those funds **available and ready to spend**. If the other funds involve loans or grants from other state, federal, or private sources, the monies must have already been **awarded** or be **in the bank**. To substantiate the immediate availability of the other funds provide one of the following: a letter and adopted resolution from the local governing body stating the specific source, amount, and location of local cash, a line of credit letter from a financial institution such as a bank stating the amount available as a loan, specific evidence of funds to be received from a tax or bond election that has already passed, or a letter from another funding agency stating that the funds have been awarded and are currently available for expenditure. **The supporting documentation must be attached to the application.**

If other funds are involved and that applicant is in a position to be funded, the LCDBG staff will contact the applicant prior to a grant award and request positive proof of the current availability of the other funds. If proof cannot be provided within the time frame allowed by the Office of Community Development (approximately ten calendar days), then the project will not be funded. For example, if applicant number one does not have the other funds available for FY 2006 funding, then that applicant will not be funded under the FY 2006 program. Applicant number one will be reconsidered for funding again under the FY 2007 program; if the other funds are not available at that time, the applicant will no longer be considered for funding under the FY 2006 – FY 2007 funding cycle.

PRE-AGREEMENT AND ADMINISTRATIVE COSTS CERTIFICATION

I certify that our local governing body will pay all of the pre-agreement and administrative costs associated with the implementation of this LCDBG program; such costs will include, but not be limited to application preparation fees, audit fees, advertising and publication fees, local staff time, workshop expenses, and/or administrative consultant fees. I have marked the following box which indicates who will be responsible for administering the LCDBG program. The documentation to support this is included in this application in accordance with the instructions.

_____ The local governing body will utilize an administrative consultant to administer the LCDBG Program. The proposed consultant is _____. Attached is a copy of the required resolution by the local governing body.

_____ The local governing body will utilize its own staff for the purpose of administering the LCDBG Program. Attached is a resolution and a sheet containing the required documentation requested in the instructions.

Signature of Chief Elected Official

Date

DESIGNATED RENEWAL COMMUNITY

- a. Is the target area within the boundaries of a federally designated renewal community?
Yes [] No []
- b. If yes, a map identifying the boundaries of the appropriate federally designated area and the location of the target area must be included behind this form. The map should also identify the name of the federally designated area and the census tract numbers involved.

PROOFS OF PUBLICATION

Attach the two required public notices and proofs of publication.

INSTRUCTIONS

Pre-agreement and Administrative Costs Certification

This form must be completed by community center applicants. Community center applicants are required to pay all of the pre-agreement and administrative costs associated with the implementation of the LCDBG Program. Such administrative costs may include, but not be limited to, application preparation fees, audit fees, advertising and publication fees, local staff time, workshop expenses, administrative consultant fees, etc.

An applicant may intend to utilize the services of an administrative consultant, to utilize its own staff, or to utilize both. The certification must identify which circumstances apply by marking one or both boxes.

To substantiate that the local governing body will pay the administrative costs associated with the LCDBG Program, this form must be completed and signed by the chief elected official. A copy of the resolution passed by the local governing body identifying the administrative consultant hired and the proposed amount of the contract must be included in the application. That resolution should also state that local funds will be used to pay the pre-agreement costs, administrative consultant fees and any other administrative costs incurred by the local governing body.

If the local governing body maintains full-time permanent staff for the sole or partial purpose of administering LCDBG or other federal programs, such staff must have proved its capacity to administer LCDBG or other federal programs through previous program administration. To substantiate that the local governing body will pay the pre-agreement and administrative costs associated with the LCDBG Program, this form must be completed and signed by the chief elected official. A sheet should be attached that identifies the staff person(s) who will be responsible for program administration, their job title or position, and a brief listing of their previous experience in administering LCDBG or other federal programs. A copy of the resolution passed by the local governing body stating that local funds will be used to pay all pre-agreement and administrative costs incurred by the local governing body must be included in the application.

Designated Renewal Community

- a. If the target area is located within the boundaries of a federally designated Renewal Community, Empowerment Zone, or Renewal Community, then mark the “Yes” box. If the target area is not located within the boundaries of one of these federally designated areas, then mark the “No” box. The entire target area must be located within the boundaries of the federally designated area in order for the applicant to get the rating point.
- b. A map identifying the boundaries of the federally designated area, the boundaries of the target area, the name of the federally designated area, and the census tracts involved must be attached.

Proofs of Publication

A copy of the two public notices and proofs of publication must be included in the application package. The required content of these notices is illustrated on pages 32 and 33 of this package.

LOUISIANA CDBG PROGRAM

STATEMENT OF ASSURANCES

This applicant hereby assures and certifies that:

1. It possesses legal authority to apply for the grant and to execute the proposed program.
2. Its governing body has duly adopted or passed as an official act a resolution, motion, or similar action authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.
3. It has facilitated citizen participation by:
 - a. Providing adequate notices that provide the information specified in the Application Package.
 - b. Holding a hearing to obtain citizens' views on housing and community development needs and to provide citizens with the information specified in the Application Package.
4. It has adopted a detailed written citizen participation plan that:
 - a. Provides for and encourages citizen participation,
 - b. Provides citizens with reasonable and timely access to local meetings, information, and records,
 - c. Provides for technical assistance,
 - d. Provides for public hearings
 - e. Provides for timely responses to written complaints and grievances, and
 - f. Accommodates the needs of non-English speaking residents and persons with disabilities in public hearings.
5. Its chief executive officer or other officer of applicant approved by the State:
 - a. Consents to assume the status of a responsible Federal official under the National Environmental Policy Act of 1969 insofar as the provisions of such Act apply to the Louisiana Community Development Block Grant Program; and
 - b. Is authorized and consents on behalf of the applicant and himself to accept the jurisdiction of the federal courts for the purpose of enforcement of his responsibilities as such an official.
6. The community development program has been developed so as to give maximum feasible priority to activities that will benefit low and moderate income families or aid in the prevention or elimination of slums or blight.

7. It will comply with the regulations, policies, guidelines, requirements of OMB Circulars Numbers A-87, A-102, as amended and made part of the State regulations, A-133, revised, and 24 CFR 85.36, as they relate to the application, acceptance, and use of federal funds under this part.
8. It will administer and enforce the labor standards requirements set forth in 24 CFR 570.605 and regulations issued to implement such requirements.
9. It will comply with the provisions of Executive Order 11296, relating to evaluation of flood hazards and Executive Order 11288 relating to the prevention, control and abatement water pollution.
10. It will require every building or facility (other than a privately owned residential structure) designed, constructed, or altered with funds provided under this part to comply with the “American Standard Specifications for Making Buildings and Facilities Accessible to, and Usable by, the Physically Handicapped,” Number A-117.1-R 1971, subject to the exceptions contained in 41 CFR 101-19.604. The applicant will be responsible for conducting inspections to insure compliance with these specifications by the contractor.
11. It will comply with:
 - a. Title VI of the Civil Rights Acts of 1964 (Pub. L. 88-252), and the regulations issued pursuant thereto (24 CFR Part 1), which provides that no person in the United States shall on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the applicant receives federal financial assistance and will immediately take any measures necessary to effectuate this assurance. If any real property or structure thereon is provided or improved with the aid of federal financial assistance extended to the applicant, this assurance shall obligate the applicant, or in the case of any transfer of such property, any transferee, for the period during which the property or structure is used for another purpose involving the provision of similar services or benefits.
 - b. Title VIII of the Civil Rights Act of 1968 (Public Law 90-284), as amended, administering all programs and activities relating to housing and community development in a manner to affirmatively further fair housing. Title VIII further prohibits discrimination against any person in the sale or rental of housing, or the provision of brokerage services, including in any way making unavailable or denying a dwelling to any person, because of race, color, religion, sex, national origin, handicap or familial status.
 - c. Section 109 of the Housing and Community Development Act of 1974, and the regulations issued pursuant thereto (24 CFR Part 570.601), which provides that no person in the United States shall, on the grounds of race, color, national origin, or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity funded in whole or in part with funds provided under this Part. Section 109 further prohibits discrimination to an otherwise qualified individual with handicap as provided under Section 504 of the Rehabilitation Act of 1973, as amended, and prohibits discrimination based on age as provided under the Age Discrimination Act of 1975.
 - d. Executive Order 11063 on equal opportunity in housing and non-discrimination in the sale or rental of housing built with federal assistance.
 - e. Executive Order 11246, and the regulations issued pursuant thereto (24 CFR Part 130 and 41 CFR Chapter 60), and Section 4(b) of the Grant Agreement, which provides that no person shall be

discriminated against on the basis of race, color, religion, sex or national origin in all phases of employment during the performance of federal or federally assisted construction contracts. Contractors and subcontractors on federal and federally assisted construction contracts shall take affirmative action to insure fair treatment in employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination, rates of pay or other forms of compensation and selection for training and apprenticeship.

12. It will comply with Section 3 of the Housing and Urban Development Act of 1968, as amended, requiring that to the greatest extent feasible opportunities for training and employment be given to lower-income residents of the project area and contracts for work in connection with the project be awarded to eligible Section 3 business concerns.
13. It will:
 - a. To the greatest extent practicable under State law, comply with Sections 301 and 302 of Title III (Uniform Real Property Acquisition Policy) of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and will comply with Sections 303 and 304 of Title III, and HUD implementing instructions at 24 CFR Part 42; and
 - b. Inform affected persons of their rights and of the acquisition policies and procedures set forth in the regulations at 24 CFR Part 42 and §570.602(b).
14. It will:
 - a. Comply with Title II (Uniform Relocation Assistance) of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and HUD implementing regulations at 24 CFR Part 42 and 24 CFR 570.606(a);
 - b. Provide relocation payments and offer relocation assistance as described in Section 205 of the Uniform Relocation Assistance Act to all persons displaced as a result of acquisition of real property for an activity assisted under the Community Development Block Grant Program. Such payments and assistance shall be provided in a fair and consistent and equitable manner that ensures that the relocation process does not result in different or separate treatment of such persons on account of race, color, religion, national origin, sex or source of income; and
 - c. Assure that, within a reasonable period of time prior to displacement, comparable decent, safe and sanitary replacement dwellings will be available to all displaced families and individuals and that the range of choices available to such persons will not vary on account of their race, color, religion, national origin, sex, or source of income.
 - d. It will follow a residential antidisplacement and relocation assistance plan and it will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 as required under Section 570.606(a) and HUD implementing regulations at 24 CFR Part 42; the requirements in Section 570.606(b) governing the residential antidisplacement and relocation assistance plan under Section 104(d) of the Housing and Community Development Act of 1974; the relocation requirements of Section 505.606(c) governing displacement subject to Section 104(k) of the Act; and the relocation requirements of Section 505.606(d) governing optional relocation assistance under Section 105(a)(11) of the Act.

15. It will establish safeguards to prohibit employees from using positions for a purpose that is or gives the appearance of being motivated by a desire for private gain for themselves or others, particularly those with whom they have family, business, or other ties.
16. It will comply with the provisions of the Hatch Act that limits the political activity of employees.
17. It will give the State and HUD, through any authorized representatives, access to and the right to examine all records, books, papers, or documents related to the grant.
18. It will ensure that the facilities under its ownership, lease or supervision which shall be utilized in the accomplishment of the program are not listed on the Environmental Protection Agency's (EPA) list of Violating Facilities and that it will notify HUD of the receipt of any communication from the Director of the EPA Office of Federal Activities indicating that a facility to be used in the project is under consideration for listing by the EPA.
19. It will comply with the flood insurance purchase requirement of Section 102(a) of the Flood Disaster Protection Act of 1973, Public Law 93-234, 87 Stat.975, approved December 31, 1973 Section 103(a) required, on and after March 2, 1974, the purchase of flood insurance in communities where such insurance is available as a condition for the receipt of any federal financial assistance for construction or acquisition purposes for use in any area, that has been identified by the Secretary of the Department of Housing and Urban Development as an area having special flood hazards. The phrase "federal financial assistance" includes any form of loan, grant guaranty, insurance payment, rebate, subsidy, disaster assistance loan or grant, or any other form of direct or indirect federal assistance.
20. It will, in connection with its performance of environmental assessments under the National Environmental Policy Act of 1969, comply with Section 106 of the National Historic Preservation Act of 1966 (16 U.S.C.470), Executive Order 11593, and the Preservation of Archeological and Historical Data Act of 1966 (16 U.S.C. 469a-1, et.seq.) by:
 - a. Consulting with the State Historic Preservation Officer to identify properties listed in or eligible for inclusion in the National Register of Historic Places that are subject to adverse affects (see 36 CFR Part 800.8) by the proposed activity; and
 - b. Complying with all requirements established by the State to avoid or mitigate adverse effects upon such properties.
21. It will comply with all requirements imposed by the State concerning special requirements of law, program requirements, and other administrative requirements, approved in accordance with OMB Circular A-102, revised as it existed prior to its publication in revised form in the March 11, 1988 Federal Register, Vol. 53, No. 48.
22. It will minimize displacement of persons as a result of activities assisted with such LCDBG funds.
23. It will not attempt to recover any capital costs for public improvements financed in whole or in part with LCDBG funds, through assessments against properties owned and occupied by low and moderate income persons including any fees charged or assessed made as a condition of obtaining access to such public improvements.

Exception to the Requirement - The first sentence of Section 570.200(c)(2) of the regulations prohibits levying special assessments to recover any CDBG funds used to pay for public improvements, and remains

applicable. There are, however, two exceptions or circumstances in which an assessment or fee may be made to recover the non-CDBG share of the capital costs:

- a. Where funds received under the State's CDBG allocation are used to pay the proportion of a fee or assessment against properties owned and occupied by low and moderate income persons. (Such payments are eligible CDBG activities subject to the provisions of S570.200(c)(3) of the regulations); or
 - b. Where the grantee certifies that it lacks sufficient CDBG funds to comply with the requirements, for the payment of assessments against properties owned and occupied by persons of low and moderate income who are not very low income (i.e., not below 50 percent of median). In this case, the assessment may be made against such properties without paying for the assessment with CDBG funds.
24. It will adopt and enforce a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individual engaged in non-violent Civil Rights demonstrations in accordance with Section 519 of Public Law 101-1448 (the 1990 HUD Appropriations Act).
25. It certifies that no federally appropriated funds will be paid for any lobbying purposes regardless of the level of government.

Signing these assurances means that the municipality/parish agrees to implement its program in accord with these provisions. Failure to comply can result in serious audit and/or monitoring findings that require repayment of funds to the State or expending municipality/parish funds to correct deficiencies. A training session will be held to describe these requirements to all funded applicants. Municipality/parish staff attendance will be mandatory.

SIGNATURE OF CHIEF ELECTED OFFICIAL

TYPED/NAME AND TITLE OF CHIEF ELECTED OFFICIAL

DATE

DISCLOSURE REPORT

PART I - APPLICANT/GRANTEE INFORMATION

1. Applicant/grantee name and address: _____

- Phone # _____ Federal Employer ID # _____
2. This is an: Initial Report ☒ Updated Report _____
-
3. Project Assisted/to be Assisted _____

- a. Fiscal year: _____
- b. Competitive Grant: ☒
- c. Amount requested/received: _____
- d. Program income to be used with c. above: _____
- e. Total of c. and d: _____
-

PART II - THRESHOLD DETERMINATIONS

1. Is the amount listed at 3.e. (above) more than \$200,000? Yes _____ No _____
2. Have you received or applied for other HUD assistance (through programs listed in Appendix A of the Instructions) which when added to 3.e. (above) amounts to more than \$200,000?
- Yes _____ No _____

If the answer to either 1. or 2. of this Part is "yes", then you must complete the remainder of this report.

If the answer to both 1. or 2. of this Part is "no", then you are not required to complete the remainder of this report, but you must sign the following certification.

I hereby certify that this information is true.

(Chief Elected Official)

(Date)

PART III - OTHER GOVERNMENT ASSISTANCE PROVIDED/APPLIED FOR

Provide the requested information for any other Federal, State and/or local governmental assistance, on hand or applied for, that will be used in conjunction with the LCDBG program. (See Appendix A of the Instructions for a listing of the HUD programs subject to disclosure.)

Name and Address of Agency Providing or to Provide Assistance	Name of Program	Type of Assistance (loan, grant, etc.)	Amount Requested or Provided

PART IV – INTERESTED PARTIES

Alphabetical Listing of All Persons With a Reportable Financial Interest in the Project	Social Security # or Employer Identification # (Optional)	Type of Participation in Project	Contract Execution Date	Financial Interest In Project \$ and %

PART V - EXPECTED SOURCES AND USES OF FUNDS

This Part requires you to identify the sources and uses of all assistance, including LCDBG, that have been or may be used in the project.

Source

Use

PART VI – CERTIFICATION

I hereby certify that the information provided in this disclosure is true and correct and I am aware that making any materially false, fictitious, or fraudulent statement or representation may subject me to criminal penalties under Section 1001 of Title 18 of the United States Code. In addition, I am aware that if I materially violate any required disclosure of information, including concealing a material fact, I am subject to being fined under this title or imprisoned not more than five years, or both.

(Chief Elected Official)

(Date)

INSTRUCTIONS FOR COMPLETION OF DISCLOSURE REPORT

All applicants for or recipients of LCDBG Funds must complete and submit Parts I and II of the Disclosure Report. At the completion of Part II of the report, some applicants/recipients will find that they must also complete Parts III, IV, V and VI of the Report.

Part I requires the applicant's name, address, phone and federal employer identification number; indicate as to whether this is an initial report or an update report (all FY 2004 - FY 2005 applicants/recipients will check the initial report box when preparing this report for the first time); provide a brief description of the project and include contract number, if known; identify the fiscal year of the LCDBG funds requested (FY 2004 - FY 2005); the amount of FY 2004 - FY 2005 LCDBG funds being requested or received; the amount of any LCDBG program income that will be used with the FY 2004 - FY 2005 LCDBG funds; and, the total amount (FY 2004 - FY 2005 funds plus program income). The requirements for update reports are discussed on the following page.

Part II asks two questions. If the answer to both questions is "no", then the chief elected official must sign the certification at the end of Part II, but is not required to complete the remainder of the Report. If the answer to either question is "yes", then the applicant must complete the remainder of the Report.

Part III requires information on any other Federal, State and/or local assistance that is to be used in conjunction with the FY 2004 - FY 2005 LCDBG program. "Other government assistance" is defined as including any loan, grant, guarantee, insurance, payment, rebate, subsidy, credit, tax benefit or any other form of direct or indirect assistance from the Federal government, the State (other than the LCDBG assistance requested/received the application/grant award), or a unit of general local government, or any agency or instrumentality thereof, that is available, or is expected to be made available with respect to the LCDBG project or activities. For purposes of this definition, other government assistance is expected to be made available if, based on an assessment of all the circumstances involved, there is reasonable grounds to anticipate that the assistance will be forthcoming or if other funds were identified in the application. If the applicant has no other government assistance to disclose, then state "No other government assistance has been applied for or will be provided" on this form.

Part IV requires the identification of interested parties. Interested parties are persons and entities with a reportable financial interest in the project. Person and "entity" means an individual (including a consultant, lobbyist, or lawyer), corporation, company, association, authority, firm, partnership, society, state, unit of general local government, governmental entity or agency, Indian tribe, and any other organization or group of people. If an entity is being disclosed, the disclosure in Part IV must include an identification of each officer, director, principal stockholder or other official of the entity. All consultants, developers or contractors involved in the application for LCDBG assistance, or in the planning, development or implementation of the project, must be identified as an interested party. Also, any other person or entity that has a pecuniary interest in the project that exceeds \$50,000 or ten percent of the LCDBG assistance, whichever is lower, must be listed as an interested party. Pecuniary interest means any financial involvement in the project, including (but not limited to) situations in which an individual or entity has an equity interest in the project, shares in any profit or resale or any distribution of surplus cash or other assets of the project or receives compensation for any goods or services provided in connection with the project. (The following are not considered interested parties: local LCDBG administrative staff, recipients of housing rehab assistance, and rehab contractors as long as the rehab agreement is between the property

owner and the contractor.) The financial interest in the project must be identified both as a dollar amount and as a percentage of the total amount of the LCDBG funds.

It is realized that at the time of application, applicants may not be aware of all interested parties since contracts and agreements for goods and services are not generally awarded until after notice of grant award. Subsequent to grant award, as projects are being implemented, funds will be committed to interested parties which will necessitate the submission of an updated Disclosure Report. However, if other governmental assistance is identified under Part II of the Disclosure Report to be used in conjunction with the LCDBG funds and, if these other funds have been committed to interested parties, then those interested parties must be identified in Part IV of the initial report.

Entry of the social security number or federal employer identification number is optional.

Part V requires applicants/recipients to identify the sources and uses of all funds to be used in conjunction with the LCDBG funded project. The sources and uses must include all the other assistance identified in Part III as well as the LCDBG funds identified in Part I, items 3c. and 3d.

Part VI requires a signed certification by the Chief Elected Official.

Updated Reports

All applicants/grantees who have submitted initial disclosure reports are required to submit updated disclosure reports whenever any of the following instances occur:

1. The applicant/grantee discovers that information was omitted from its initial report or any updated reports.
2. Additional persons or entities can be identified as interested parties. These are persons or entities that did not have a pecuniary interest when the initial or last updated report was submitted.
3. There is a change in other government assistance that exceeds the amount of assistance that was previously disclosed.
4. There is a change in the pecuniary interest of any person or entity that exceeds the amount of all previously disclosed interests by the lesser of \$50,000 or ten percent of such interest.
5. For all projects receiving a tax credit under federal, state, or local law, there has been a change in the expected sources or uses of funds that were previously disclosed.
6. There is a change in the expected source of funds from a single source that exceeds the lesser of the amount previously disclosed for that source of funds by \$250,000 or ten percent of the funds previously disclosed for that source.
7. There is a change in the expected sources of funds from all sources previously disclosed that exceeds the lesser of \$250,000 or ten percent of the amounts previously disclosed from all sources of funds.

8. There is a change in a single expected use of funds that exceeds the lesser of \$250,000 or ten percent of the previously disclosed uses for all funds.
9. There is a change in the use of all funds that exceeds the lesser of \$250,000 or ten percent of the previously disclosed uses for all funds.

Grantees must constantly monitor their project to ensure that an updated disclosure report is submitted within thirty days of any change that meets one of the nine criteria discussed above. Updated reports are required until the project is closed out.

APPENDIX A

This Appendix contains a list of all the HUD Programs that are subject to the disclosure requirements of the Housing and Urban Development Reform Act of 1989. All applicants for or recipients of FY 2004 - FY 2005 LCDBG assistance must review this list to determine if they are receiving, or expect to receive, assistance from other covered HUD programs besides the LCDBG Program. HUD funds that are received either directly from HUD or through the State must also be considered. The State administered LCDBG Program is listed as item 3(v).

It is the total amount of funds received from all of the below sources that the applicant/recipient uses to answer the second question of Part II of the Disclosure Report.

- (1) Section 312 Rehabilitation Loans under 24 CFR part 510, except loans for single family properties.
- (2) Applications for grant amounts for a specific project or activity under the Rental Rehabilitation Grant program under 24 CFR part 511 made to:
 - (i) A State grantee under Subpart F;
 - (ii) A unit of general local government or a consortium of units of general local government receiving funds from a State or directly from HUD (whether or not by formula) under Subparts D, F, and G; and
 - (iii) HUD, for technical assistance under S511.3.

(Excludes formula distributions to States, units of general local government, or consortia of units of general local government under Subparts D and G, within-year reallocations under Subpart D, and the HUD-administered Small Cities program under Subpart F.)

- (3) Applications for grant amounts for a specific project or activity under Title I of the Housing and Community Development Act of 1974 made to:
 - (i) HUD, for a Special Purpose Grant under Section 105 of the Department of Housing and Urban Development Reform Act of 1989 for technical assistance, the Work Study program or Historically Black colleges,

- (ii) HUD, for a loan guarantee under 24 CFR part 470, Subpart M;
 - (iii) HUD, for a grant to an Indian tribe under Title I of the Housing and Community Development Act of 1974; and
 - (iv) HUD, for a grant under the HUD-administered Small Cities program under CFR part 570, Subpart F; and
 - (v) A State or unit of general local government under 24 CFR part 570.
- (4) Applications for grant amounts for a specific project or activity under the Emergency Shelter Grants program under 24 CFR part 576 made to a State or to a unit of general local government, including a Territory.
- (Excludes formula distributions to States and units of general local government [including Territories]; reallocations to States, units of general local government [including Territories] and non-profit organizations; and applications to an entity other than HUD or a State or unit of general local government.)
- (5) Transitional Housing under 24 CFR part 577.
- (6) Permanent Housing for Handicapped Homeless Persons under 24 CFR part 578.
- (7) Section 8 Housing Assistance Payments (only project-based housing under the Existing Housing and Moderate Rehabilitation programs under 24 CFR part 882, including the Moderate Rehabilitation Program for Single Room Occupancy Dwellings for the Homeless under Subpart H).
- (8) Section 8 Housing Assistance Payments for Housing for the Elderly or Handicapped under 24 CFR part 885.
- (9) Loans for Housing for the Elderly or Handicapped under Section 202 of the Housing Act of 1959 (including operating assistance for Housing for the Handicapped under Section 162 of the Housing and

Community Development Act of 1987 and Seed Money Loans under Section 106(b) of the Housing and Urban Development Act of 1968).

- (10) Section 8 Housing Assistance Payments - Special Allocations - under 24 CFR part 886.
- (11) Flexible Subsidy under 24 CFR part 219 - both Operating Assistance under Subpart B and Capital Improvement Loans under Subpart C.
- (12) Low-Rent Housing Opportunities under 24 CFR part 904.
- (13) Indian Housing under 24 CFR part 905.
- (14) Public Housing Development under 24 CFR part 941.
- (15) Comprehensive Improvement Assistance under 24 CFR part 968.
- (16) Resident Management under 24 CFR part 964, Subpart C.
- (17) Neighborhood Development Demonstration under Section 123 of the Housing and Urban-Rural Recovery Act of 1983.
- (18) Nehemiah Grants under 24 CFR part 280.
- (19) Research and Technology Grants under Title V of the Housing and Urban Development Act of 1970.
- (20) Congregate Services under the Congregate Housing Services Act of 1978.
- (21) Counseling under Section 106 of the Housing and Urban Development Act of 1968.
- (22) Fair Housing Initiatives under 24 CFR part 125.

- (23) Public Housing Drug Elimination Grants under Section 5129 of the Anti-Drug Abuse Act of 1988.
- (24) Fair Housing Assistance under 24 CFR part 111.
- (25) Public Housing Early Childhood Development Grants under Section 222 of the Housing and Urban-Rural Recovery Act of 1983.
- (26) Mortgage Insurance under 24 CFR Subtitle B, Chapter II (only multifamily and non-residential).
- (27) Supplemental Assistance for Facilities to Assist the Homeless under 24 CFR part 579.
- (28) Shelter Plus Care Assistance under Section 837 of the Cranston-Gonzalez National Affordable Housing Act.
- (29) Planning and Implementation Grants for HOPE for Public and Indian Housing Homeownership under Title IV, Subtitle A, of the Cranston-Gonzalez National Affordable Housing Act.
- (30) Planning and Implementation Grants for HOPE for Homeownership of Multifamily Units under Title IV, Subtitle B, of the Cranston-Gonzalez National Affordable Housing Act.
- (31) HOPE for Elderly Independence Demonstration under Section 803 of the Cranston-Gonzalez National Affordable Housing Act.

VI. SURVEY INFORMATION

The information contained in this chapter will be used when conducting local surveys for public facilities projects. You should review this information carefully **BEFORE** you begin your survey process.

The Draft HUD Memorandum is included for informational purposes only. The instructions that must be followed when conducting your surveys are included in Chapter V, which includes the appropriate forms.

INCOME CATEGORIES
FAMILY SURVEY FOR PUBLIC FACILITIES PROJECTS

Choose the income category below that corresponds to the total annual family income per family size.

CATEGORY	FAMILY SIZE								
	1 person	2 persons	3 persons	4 persons	5 persons	6 persons	7 persons	8 persons	9 or more persons*
Extremely Low Income	\$ - 0 - to \$ _____	\$ - 0 - to \$ _____	\$ - 0 - to \$ _____	\$ - 0 - to \$ _____	\$ - 0 - to \$ _____	\$ - 0 - to \$ _____	\$ - 0 - to \$ _____	\$ - 0 - to \$ _____	Number Of Persons _____ Annual Family Income \$ _____
Low Income	\$ _____ to \$ _____	\$ _____ to \$ _____	\$ _____ to \$ _____	\$ _____ to \$ _____	\$ _____ to \$ _____	\$ _____ to \$ _____	\$ _____ to \$ _____	\$ _____ to \$ _____	
Moderate Income	\$ _____ to \$ _____	\$ _____ to \$ _____	\$ _____ to \$ _____	\$ _____ to \$ _____	\$ _____ to \$ _____	\$ _____ to \$ _____	\$ _____ to \$ _____	\$ _____ to \$ _____	
High Income	Over \$ _____	Over \$ _____	Over \$ _____	Over \$ _____	Over \$ _____	Over \$ _____	Over \$ _____	Over \$ _____	

* For families with 9 or more persons, enter the number of persons in the family and the annual family income figure and later contact Mr. William Hall, Office of Community Development, at 225/342-7412.

A copy of this chart with the income figures inserted that is used to conduct the actual survey must be submitted with the application.

INSTRUCTIONS

Income By Family Chart

The FY 2005 Income Threshold limits established by HUD and located in this chapter are to be used when completing this chart. The table on pages 175 and 176 identifies the extremely low income categories by number of persons in the family for each parish, the table on pages 177 and 178 identifies the low income categories by number of persons in the family for each parish, and the table on pages 225 and 226 identifies the moderate income categories by number of persons in the family for each parish. Those figures should be inserted on the income by family chart on the page 171 for the corresponding family sizes. Refer to the completed chart for Acadia Parish on the next page as an example. Please note that the extremely low income figure by family size directly corresponds to the figure shown in the table on page 173. The lower end of the range for the low income figure is \$1 more than the extremely low income limit and the lower end of the range for the moderate income figure is \$1 more than the low income limit.

If there are five persons in a family located in Acadia Parish and the annual family income is \$42,000, then the family would be classified as high income. If that same family had an annual income of \$10,000, then the family would be classified as extremely low income.

A copy of the completed chart identifying the income limits for each family size and income category that is actually used to conduct the survey must be submitted with the application package.

EXAMPLE

INCOME BY FAMILY SIZE - ACADIA PARISH

CATEGORY	FAMILY SIZE								
	1 person	2 persons	3 persons	4 persons	5 persons	6 persons	7 persons	8 persons	9 or more persons*
Extremely Low Income	\$ <u>- 0 -</u> to \$ <u>9,900</u>	\$ <u>- 0 -</u> to \$ <u>11,350</u>	\$ <u>- 0 -</u> to \$ <u>12,750</u>	\$ <u>- 0 -</u> to \$ <u>14,150</u>	\$ <u>- 0 -</u> to \$ <u>15,300</u>	\$ <u>- 0 -</u> to \$ <u>16,450</u>	\$ <u>- 0 -</u> to \$ <u>17,550</u>	\$ <u>- 0 -</u> to \$ <u>18,700</u>	Number Of Persons
Low Income	\$ <u>9,901</u> to \$ <u>16,500</u>	\$ <u>11,351</u> to \$ <u>18,900</u>	\$ <u>12,751</u> to \$ <u>21,250</u>	\$ <u>14,151</u> to \$ <u>23,600</u>	\$ <u>15,301</u> to \$ <u>25,500</u>	\$ <u>16,451</u> to \$ <u>27,400</u>	\$ <u>17,551</u> to \$ <u>29,250</u>	\$ <u>18,701</u> to \$ <u>31,150</u>	
Moderate Income	\$ <u>16,501</u> to \$ <u>26,450</u>	\$ <u>18,901</u> to \$ <u>30,200</u>	\$ <u>21,251</u> to \$ <u>34,000</u>	\$ <u>23,601</u> to \$ <u>37,750</u>	\$ <u>25,501</u> to \$ <u>40,800</u>	\$ <u>27,401</u> to \$ <u>43,800</u>	\$ <u>29,251</u> to \$ <u>46,800</u>	\$ <u>31,151</u> to \$ <u>49,850</u>	
High Income	Over \$ <u>26,450</u>	Over \$ <u>30,200</u>	Over \$ <u>34,000</u>	Over \$ <u>37,750</u>	Over \$ <u>40,800</u>	Over \$ <u>43,800</u>	Over \$ <u>46,800</u>	Over \$ <u>49,850</u>	\$

**`FY 2005 LCDBG Extremely Low Income Limits By Household Size
By Parish and MSA
(30% of the Median Parish Income)**

<u>New Orleans MSA</u>	<u>1 Person</u>	<u>2 Person</u>	<u>3 Person</u>	<u>4 Person</u>	<u>5 Person</u>	<u>6 Person</u>	<u>7 Person</u>	<u>8 Person</u>
Orleans	10,700	12,250	13,750	15,300	16,500	17,750	18,950	20,200
Jefferson	10,700	12,250	13,750	15,300	16,500	17,750	18,950	20,200
St. Tammany	10,700	12,250	13,750	15,300	16,500	17,750	18,950	20,200
St. Charles	10,700	12,250	13,750	15,300	16,500	17,750	18,950	20,200
St. Bernard	10,700	12,250	13,750	15,300	16,500	17,750	18,950	20,200
Plaquemines	10,700	12,250	13,750	15,300	16,500	17,750	18,950	20,200
St. John Baptist	10,700	12,250	13,750	15,300	16,500	17,750	18,950	20,200
<u>Baton Rouge MSA</u>								
E. Baton Rouge	11,800	13,500	15,150	16,850	18,200	19,550	20,900	22,250
Livingston	11,800	13,500	15,150	16,850	18,200	19,550	20,900	22,250
Ascension	11,800	13,500	15,150	16,850	18,200	19,550	20,900	22,250
W. Baton Rouge	11,800	13,500	15,150	16,850	18,200	19,550	20,900	22,250
<u>Lafayette MSA</u>								
Lafayette	9,900	11,350	12,750	14,150	15,300	16,450	17,550	18,700
St. Martin	9,900	11,350	12,750	14,150	15,300	16,450	17,550	18,700
Acadia	9,900	11,350	12,750	14,150	15,300	16,450	17,550	18,700
St. Landry	9,900	11,350	12,750	14,150	15,300	16,450	17,550	18,700
<u>Lake Charles MSA</u>								
Calcasieu	10,500	12,000	13,500	15,000	16,200	17,400	18,600	19,800
<u>Shreveport MSA</u>								
Caddo	10,100	11,500	12,950	14,400	15,550	16,700	17,850	19,000
Bossier	10,100	11,500	12,950	14,400	15,550	16,700	17,850	19,000
Webster	10,100	11,500	12,950	14,400	15,550	16,700	17,850	19,000
<u>Monroe MSA</u>								
Ouachita	10,100	11,500	12,950	14,400	15,550	16,700	17,850	19,000
<u>Alexandria MSA</u>								
Rapides	9,250	10,600	11,900	13,250	14,300	15,350	16,400	17,450
<u>Houma-Terrebonne MSA</u>								
Lafourche	10,350	11,850	13,350	14,800	16,000	17,200	18,400	19,550
Terrebonne	10,350	11,850	13,350	14,800	16,000	17,200	18,400	19,550

Non-Metropolitan Parishes

	<u>1 Person</u>	<u>2 Person</u>	<u>3 Person</u>	<u>4 Person</u>	<u>5 Person</u>	<u>6 Person</u>	<u>7 Person</u>	<u>8 Person</u>
Allen	8,650	9,850	11,100	12,350	13,300	14,300	15,300	16,300
Assumption	10,000	11,400	12,850	14,300	15,400	16,550	17,700	18,850
Avoyelles	8,400	9,600	10,750	11,950	12,950	13,900	14,850	15,800
Beauregard	9,500	10,850	12,250	13,600	14,700	15,750	16,850	17,950
Bienville	8,400	9,600	10,750	11,950	12,950	13,900	14,850	15,800
Caldwell	8,400	9,600	10,800	12,000	12,950	13,900	14,900	15,850
Cameron	9,850	11,300	12,700	14,100	15,250	16,350	17,500	18,600
Catahoula	8,400	9,600	10,750	11,950	12,950	13,900	14,850	15,800
Claiborne	8,450	9,650	10,850	12,050	13,000	14,000	14,950	15,900

**FY 2005 Extremely
Low Income Limits
Continued**

	<u>1 Person</u>	<u>2 Person</u>	<u>3 Person</u>	<u>4 Person</u>	<u>5 Person</u>	<u>6 Person</u>	<u>7 Person</u>	<u>8 Person</u>
Concordia	8,400	9,600	10,750	11,950	12,950	13,900	14,850	15,800
Desoto	8,550	9,800	11,000	12,250	13,200	14,200	15,200	16,150
East Carroll	8,400	9,600	10,750	11,950	12,950	13,900	14,850	15,800
East Feliciana	9,500	10,850	12,250	13,600	14,700	15,750	16,850	17,950
Evangeline	8,400	9,600	10,750	11,950	12,950	13,900	14,850	15,800
Franklin	8,400	9,600	10,750	11,950	12,950	13,900	14,850	15,800
Grant	9,200	10,500	11,800	13,100	14,150	15,200	16,250	17,300
Iberia	9,000	10,300	11,600	12,850	13,900	14,950	15,950	17,000
Iberville	8,550	9,750	11,000	12,200	13,200	14,150	15,150	16,100
Jackson	9,050	10,350	11,650	12,950	14,000	15,050	16,050	17,100
Jefferson Davis	8,400	9,600	10,850	12,050	13,000	13,950	14,900	15,900
LaSalle	9,200	10,500	11,850	13,150	14,200	15,250	16,300	17,350
Lincoln	9,850	11,250	12,650	14,050	15,150	16,300	17,400	18,550
Madison	8,400	9,600	10,750	11,950	12,950	13,900	14,850	15,800
Morehouse	8,400	9,600	10,750	11,950	12,950	13,900	14,850	15,800
Natchitoches	8,400	9,600	10,750	11,950	12,950	13,900	14,850	15,800
Pointe Coupee	9,600	10,950	12,300	13,700	14,750	15,850	16,950	18,050
Red River	8,400	9,600	10,750	11,950	12,950	13,900	14,850	15,800
Richland	8,400	9,600	10,750	11,950	12,950	13,900	14,850	15,800
Sabine	8,400	9,600	10,750	11,950	12,950	13,900	14,850	15,800
St. Helena	8,400	9,600	10,750	11,950	12,950	13,900	14,850	15,800
St. James	10,350	11,850	13,300	14,800	15,950	17,150	18,350	19,500
St. Mary	8,400	9,600	10,750	11,950	12,950	13,900	14,850	15,800
Tangipahoa	9,200	10,550	11,850	13,150	14,200	15,300	16,350	17,400
Tensas	8,400	9,600	10,750	11,950	12,950	13,900	14,850	15,800
Union	9,050	10,350	11,650	12,950	13,950	15,000	16,050	17,050
Vermilion	9,050	10,350	11,650	12,950	14,000	15,050	16,050	17,100
Vernon	8,750	10,000	11,250	12,500	13,500	14,500	15,500	16,500
Washington	8,400	9,600	10,750	11,950	12,950	13,900	14,850	15,800
West Carroll	8,400	9,600	10,750	11,950	12,950	13,900	14,850	15,800
West Feliciana	12,400	14,200	15,950	17,750	19,150	20,550	22,000	23,400
Winn	8,400	9,600	10,750	11,950	12,950	13,900	14,850	15,800

- Please call Mr. William Hall at 225/342-7412 for the annual income limits for families with 9 or more persons.

Source: Income limits provided by the U. S. Department of Housing and Urban Development.

FY 2005 LCDBG Low Income Limits By Household Size
By Parish and MSA
(50% of the Median Parish Income)

<u>New Orleans MSA</u>	<u>1 Person</u>	<u>2 Person</u>	<u>3 Person</u>	<u>4 Person</u>	<u>5 Person</u>	<u>6 Person</u>	<u>7 Person</u>	<u>8 Person</u>
Orleans	17,850	20,400	22,950	25,500	27,750	29,600	31,600	33,650
Jefferson	17,850	20,400	22,950	25,500	27,750	29,600	31,600	33,650
St. Tammany	17,850	20,400	22,950	25,500	27,750	29,600	31,600	33,650
St. Charles	17,850	20,400	22,950	25,500	27,750	29,600	31,600	33,650
St. Bernard	17,850	20,400	22,950	25,500	27,750	29,600	31,600	33,650
Plaquemines	17,850	20,400	22,950	25,500	27,750	29,600	31,600	33,650
St. John Baptist	17,850	20,400	22,950	25,500	27,750	29,600	31,600	33,650
<u>Baton Rouge MSA</u>								
E. Baton Rouge	19,650	22,450	25,250	28,100	30,300	32,550	34,800	37,050
Livingston	19,650	22,450	25,250	28,100	30,300	32,550	34,800	37,050
Ascension	19,650	22,450	25,250	28,100	30,300	32,550	34,800	37,050
W. Baton Rouge	19,650	22,450	25,250	28,100	30,300	32,550	34,800	37,050
<u>Lafayette MSA</u>								
Lafayette	16,500	18,900	21,250	23,600	25,500	27,400	29,250	31,150
St. Martin	16,500	18,900	21,250	23,600	25,500	27,400	29,250	31,150
Acadia	16,500	18,900	21,250	23,600	25,500	27,400	29,250	31,150
St. Landry	16,500	18,900	21,250	23,600	25,500	27,400	29,250	31,150
<u>Lake Charles MSA</u>								
Calcasieu	17,500	20,000	22,500	25,000	26,950	28,950	30,950	32,950
<u>Shreveport MSA</u>								
Caddo	16,800	19,200	21,600	24,000	25,900	27,850	29,750	31,700
Bossier	16,800	19,200	21,600	24,000	25,900	27,850	29,750	31,700
Webster	16,800	19,200	21,600	24,000	25,900	27,850	29,750	31,700
<u>Monroe MSA</u>								
Ouachita	16,800	19,200	21,600	24,000	25,900	27,800	29,750	31,650
<u>Alexandria MSA</u>								
Rapides	15,400	17,600	19,800	22,050	23,800	25,550	27,300	29,050
<u>Houma-Terrebonne MSA</u>								
Lafourche	17,300	19,750	22,250	24,700	26,700	28,650	30,650	32,600
Terrebonne	17,300	19,750	22,250	24,700	26,700	28,650	30,650	32,600

Non-Metropolitan Parishes

	<u>1 Person</u>	<u>2 Person</u>	<u>3 Person</u>	<u>4 Person</u>	<u>5 Person</u>	<u>6 Person</u>	<u>7 Person</u>	<u>8 Person</u>
Allen	14,400	16,450	18,500	20,550	22,200	23,850	25,500	27,150
Assumption	16,650	19,050	21,400	23,800	25,700	27,600	29,500	31,400
Avoyelles	13,950	15,950	17,950	19,950	21,550	23,150	24,750	26,350
Beauregard	15,850	18,100	20,400	22,650	24,450	26,250	28,100	29,900
Bienville	13,950	15,950	17,950	19,950	21,550	23,150	24,750	26,350
Caldwell	14,000	16,000	18,000	20,000	21,550	23,150	24,750	26,350
Cameron	16,450	18,800	21,150	23,500	25,400	27,250	29,150	31,000
Catahoula	13,950	15,950	17,950	19,950	21,550	23,150	24,750	26,350
Claiborne	14,050	16,100	18,100	20,100	21,700	23,300	24,900	26,550

**FY 2005 LCDBG Low
Income Limits
Continued**

	<u>1 Person</u>	<u>2 Person</u>	<u>3 Person</u>	<u>4 Person</u>	<u>5 Person</u>	<u>6 Person</u>	<u>7 Person</u>	<u>8 Person</u>
Concordia	13,950	15,950	17,950	19,950	21,550	23,150	24,750	26,350
Desoto	14,300	16,300	18,350	20,400	22,050	23,650	25,300	26,950
East Carroll	13,950	15,950	17,950	19,950	21,550	23,150	24,750	26,350
East Feliciana	15,850	18,100	20,400	22,650	24,450	26,250	28,100	29,900
Evangeline	13,950	15,950	17,950	19,950	21,550	23,150	24,750	26,350
Franklin	13,950	15,950	17,950	19,950	21,550	23,150	24,750	26,350
Grant	15,300	17,500	19,650	21,850	23,600	25,350	27,100	28,850
Iberia	15,000	17,150	19,300	21,450	23,150	24,900	26,600	28,300
Iberville	14,250	16,250	18,300	20,350	21,950	23,600	25,200	26,850
Jackson	15,100	17,300	19,450	21,600	23,350	25,050	26,800	28,500
Jefferson Davis	14,050	16,050	18,050	20,050	21,650	23,250	24,850	26,450
LaSalle	15,350	17,500	19,700	21,900	23,650	25,400	27,150	28,900
Lincoln	16,350	18,700	21,050	23,400	25,250	27,100	29,000	30,850
Madison	13,950	15,950	17,950	19,950	21,550	23,150	24,750	26,350
Morehouse	13,950	15,950	17,950	19,950	21,550	23,150	24,750	26,350
Natchitoches	13,950	15,950	17,950	19,950	21,550	23,150	24,750	26,350
Pointe Coupee	15,950	18,250	20,500	22,800	24,600	26,450	28,250	30,100
Red River	13,950	15,950	17,950	19,950	21,550	23,150	24,750	26,350
Richland	13,950	15,950	17,950	19,950	21,550	23,150	24,750	26,350
Sabine	13,950	15,950	17,950	19,950	21,550	23,150	24,750	26,350
St. Helena	13,950	15,950	17,950	19,950	21,550	23,150	24,750	26,350
St. James	17,250	19,700	22,150	24,650	26,600	28,550	30,550	32,500
St. Mary	13,950	15,950	17,950	19,950	21,550	23,150	24,750	26,350
Tangipahoa	15,350	17,550	19,750	21,950	23,700	25,450	27,200	28,950
Tensas	13,950	15,950	17,950	19,950	21,550	23,150	24,750	26,350
Union	15,100	17,250	19,400	21,550	23,250	25,000	26,700	28,450
Vermilion	15,100	17,300	19,450	21,600	23,350	25,050	26,800	28,500
Vernon	14,600	16,700	18,750	20,850	22,500	24,200	25,850	27,500
Washington	13,950	15,950	17,950	19,950	21,550	23,150	24,750	26,350
West Carroll	13,950	15,950	17,950	19,950	21,550	23,150	24,750	26,350
West Feliciana	20,700	23,650	26,600	29,550	31,900	34,300	36,650	39,000
Winn	13,950	15,950	17,950	19,950	21,550	23,150	24,750	26,350

- Please call Mr. William Hall at 225/342-7412 for the annual income limits for families with 9 or more persons.

Source: Income limits provided by the U. S. Department of Housing and Urban Development.

FY 2005 LCDBG Moderate Income Limits By Household Size
By Parish and MSA
(80% of the Median Parish Income)

<u>New Orleans MSA</u>	<u>1 Person</u>	<u>2 Person</u>	<u>3 Person</u>	<u>4 Person</u>	<u>5 Person</u>	<u>6 Person</u>	<u>7 Person</u>	<u>8 Person</u>
Orleans	28,550	32,650	36,700	40,800	44,050	47,350	50,600	53,850
Jefferson	28,550	32,650	36,700	40,800	44,050	47,350	50,600	53,850
St. Tammany	28,550	32,650	36,700	40,800	44,050	47,350	50,600	53,850
St. Charles	28,550	32,650	36,700	40,800	44,050	47,350	50,600	53,850
St. Bernard	28,550	32,650	36,700	40,800	44,050	47,350	50,600	53,850
Plaquemines	28,550	32,650	36,700	40,800	44,050	47,350	50,600	53,850
St. John Baptist	28,550	32,650	36,700	40,800	44,050	47,350	50,600	53,850
<u>Baton Rouge MSA</u>								
E. Baton Rouge	31,450	35,950	40,450	44,950	48,550	52,150	55,750	59,350
Livingston	31,450	35,950	40,450	44,950	48,550	52,150	55,750	59,350
Ascension	31,450	35,950	40,450	44,950	48,550	52,150	55,750	59,350
W. Baton Rouge	31,450	35,950	40,450	44,950	48,550	52,150	55,750	59,350
<u>Lafayette MSA</u>								
Lafayette	26,450	30,200	34,000	37,750	40,800	43,800	46,800	49,850
St. Martin	26,450	30,200	34,000	37,750	40,800	43,800	46,800	49,850
Acadia	26,450	30,200	34,000	37,750	40,800	43,800	46,800	49,850
St. Landry	26,450	30,200	34,000	37,750	40,800	43,800	46,800	49,850
<u>Lake Charles MSA</u>								
Calcasieu	28,000	32,000	36,000	40,000	43,200	46,400	49,600	52,800
<u>Shreveport MSA</u>								
Caddo	26,900	30,700	34,550	38,400	41,450	44,550	47,600	50,700
Bossier	26,900	30,700	34,550	38,400	41,450	44,550	47,600	50,700
Webster	26,900	30,700	34,550	38,400	41,450	44,550	47,600	50,700
<u>Monroe MSA</u>								
Ouachita	26,900	30,700	34,550	38,400	41,450	44,550	47,600	50,700
<u>Alexandria MSA</u>								
Rapides	24,700	28,200	31,750	35,300	38,100	40,900	43,750	46,550
<u>Houma-Terrebonne MSA</u>								
Lafourche	27,650	31,600	35,550	39,500	42,700	45,850	49,000	52,150
Terrebonne	27,650	31,600	35,550	39,500	42,700	45,850	49,000	52,150
<u>Non-Metropolitan Parishes</u>								
	<u>1 Person</u>	<u>2 Person</u>	<u>3 Person</u>	<u>4 Person</u>	<u>5 Person</u>	<u>6 Person</u>	<u>7 Person</u>	<u>8 Person</u>
Allen	23,000	26,300	29,600	32,900	35,500	38,150	40,750	43,400
Assumption	26,650	30,450	34,250	38,100	41,150	44,150	47,200	50,250
Avoyelles	22,350	25,550	28,750	31,900	34,450	37,050	39,600	42,150
Beauregard	25,350	29,000	32,600	36,250	39,150	42,050	44,950	47,850
Bienville	22,350	25,550	28,750	31,900	34,450	37,050	39,600	42,150
Caldwell	22,400	25,600	28,800	32,000	34,550	37,100	39,700	42,250
Cameron	26,300	30,100	33,850	37,600	40,600	43,600	46,600	49,650
Catahoula	22,350	25,550	28,750	31,900	34,450	37,050	39,600	42,150
Claiborne	22,500	25,750	28,950	32,150	34,750	37,300	39,900	42,450

**FY 2005 LCDBG
Moderate Income
Limits Continued**

	<u>1 Person</u>	<u>2 Person</u>	<u>3 Person</u>	<u>4 Person</u>	<u>5 Person</u>	<u>6 Person</u>	<u>7 Person</u>	<u>8 Person</u>
Concordia	22,350	25,550	28,750	31,900	34,450	37,050	39,600	42,150
Desoto	22,850	26,100	29,400	32,650	35,250	37,850	40,450	43,100
East Carroll	22,350	25,550	28,750	31,900	34,450	37,050	39,600	42,150
East Feliciana	25,350	29,000	32,600	36,250	39,150	42,050	44,950	47,850
Evangeline	22,350	25,550	28,750	31,900	34,450	37,050	39,600	42,150
Franklin	22,350	25,550	28,750	31,900	34,450	37,050	39,600	42,150
Grant	24,450	27,950	31,450	34,950	37,750	40,550	43,350	46,150
Iberia	24,000	27,450	30,900	34,300	37,050	39,800	42,550	45,300
Iberville	22,800	26,050	29,300	32,550	35,150	37,750	40,350	43,000
Jackson	24,200	27,650	31,100	34,550	37,300	40,100	42,850	45,600
Jefferson Davis	22,450	25,650	28,850	32,100	34,650	37,200	39,800	42,350
LaSalle	24,550	28,050	31,550	35,050	37,850	40,650	43,450	46,250
Lincoln	26,200	29,950	33,700	37,450	40,450	43,450	46,450	49,400
Madison	22,350	25,550	28,750	31,900	34,450	37,050	39,600	42,150
Morehouse	22,350	25,550	28,750	31,900	34,450	37,050	39,600	42,150
Natchitoches	22,350	25,550	28,750	31,900	34,450	37,050	39,600	42,150
Pointe Coupee	25,550	29,200	32,850	36,500	39,400	42,300	45,250	48,150
Red River	22,350	25,550	28,750	31,900	34,450	37,050	39,600	42,150
Richland	22,350	25,550	28,750	31,900	34,450	37,050	39,600	42,150
Sabine	22,350	25,550	28,750	31,900	34,450	37,050	39,600	42,150
St. Helena	22,350	25,550	28,750	31,900	34,450	37,050	39,600	42,150
St. James	27,600	31,550	35,550	39,450	42,600	45,750	48,900	52,050
St. Mary	22,350	25,550	28,750	31,900	34,450	37,050	39,600	42,150
Tangipahoa	24,600	28,100	31,600	35,100	37,950	40,750	43,550	46,350
Tensas	22,350	25,550	28,750	31,900	34,450	37,050	39,600	42,150
Union	24,150	27,600	31,050	34,500	37,250	40,000	42,750	45,500
Vermilion	24,200	27,650	31,100	34,550	37,300	40,100	42,850	45,600
Vernon	23,350	26,700	30,000	33,350	36,050	38,700	41,350	44,050
Washington	22,350	25,550	28,750	31,900	34,450	37,050	39,600	42,150
West Carroll	22,350	25,550	28,750	31,900	34,450	37,050	39,600	42,150
West Feliciana	33,100	37,800	42,550	47,300	51,050	54,850	58,650	62,400
Winn	22,350	25,550	28,750	31,900	34,450	37,050	39,600	42,150

- Please call Mr. William Hall at 225/342-7412 for the annual income limits for families with 9 or more persons.

Source: Income limits provided by the U. S. Department of Housing and Urban Development.

HUD MEMORANDUM REGARDING SURVEY METHODOLOGY

U.S. Department of Housing and Urban Development (HUD)

Office Community Planning and Development

This summary contains suggested procedures for conducting a survey to ascertain whether or not a Community Development Block Grant (CDBG) funded activity designed to benefit an area generally qualifies as primarily benefiting low- and moderate-income (LMI) persons. This summary is an excerpt from a Notice that HUD is developing on the subject and not the final policy guidance.

Introduction

This summary contains procedures and approaches to assist staff in States and localities to develop surveys for the purpose of determining whether a geographic area where a CDBG funded activity is to be located meets the regulatory requirements related to the LMI area benefit national objective. The guide provides State and local CDBG staff who have no substantial survey research background with the basic survey research techniques to make a determination of the LMI status of residents of the service area of a CDBG funded activity. The methods discussed in this guide are basic techniques for conducting a sample survey that will yield acceptable levels of accuracy.

The procedures described in this guide are comprehensive but simple approaches to conducting the least costly surveys. If any (sub)recipient chooses another survey method they must demonstrate why its survey methodology is better than those described in this guide and also describe the extent to which the results qualify the service area as a predominantly low- and moderate-income area.

Performing LMI Qualification

Once the service area is defined, the next step is to determine that it is an area that is primarily residential, and that at least 51 percent of the residents are LMI persons. There are two ways to do this. One way is to utilize US Census data provided by HUD to determine the percent LMI. However, Census data may be inadequate in determining whether at least 51 percent of the residents of the service area are LMI, especially for small service areas that are not generally coterminous with census areas, and service areas in which it is believed that the census figures no longer accurately reflect the conditions in the area. This leads to the second method of determining LMI benefit, which is conducting a survey.

If the second option—a survey—is chosen, the (sub)recipient should compare the percent LMI in the service area obtained from the survey to the percent LMI in the service area obtained from the recent US Census. If the percentage LMI in the service area obtained from the survey differs significantly from that obtained from the recent US Census, adequate explanations for the discrepancy should be provided.

Confidentiality

If you choose to conduct a survey, you must emphasize to respondents that their answers will be kept confidential. People are more likely to provide honest answers if their answers are to remain anonymous. You should do your very best to maintain this confidentiality. Usually, the respondent's name, address, and telephone number appear only on a cover sheet. After the survey is completed, the cover sheet can be shredded or at least separated from the actual interview. If the cover sheets and the

questionnaires are both numbered, they can be matched up if it is necessary to do so. What is important is that the cover sheet and questionnaire should be handled in a manner that ensures that no one will be able to pick up a questionnaire and see the family income of Mr. John Doe.

Lifespan of a Survey

A survey for the purpose of satisfying regulatory requirements for the LMI area benefit must be updated if the service area experiences economic and non-economic changes. Such changes may include factory openings or closings, layoffs by a major employer in the service area, or the occurrence of a major disasters (e.g., hurricanes, tornadoes, or earthquakes, etc.). Grantees who update their Consolidated Plans every five years may also want to conduct surveys at that time. Note that even if a survey is current, it cannot be used for a different activity in a different service area. (Could be used for a different activity within the same service area.)

Service Area

This is the area to be served by the CDBG-funded activity. The inclusion or exclusion of a particular portion of a community's jurisdiction can make the difference between whether or not the percentage LMI residents in the service area is high enough to qualify under the LMI Benefit national objective. The principal responsibility for determining the area served by the activity rests with States and their grant recipients.

State Program

HUD will generally accept the determination of the service area by the State and its grant recipients unless the nature of the activity or its location raises serious doubt about the area claimed by the State and its grant recipients. The area to be served by a CDBG-funded activity need not be coterminous with census tracts or other officially recognized boundaries; it is critical that the service area be the entire area served by the activity—**24CFR 570.483(b)(1)(i)**. The service area boundaries of State CDBG-funded activities may or may not coincide with census or other geographic boundaries: especially in smaller communities and rural areas where block groups or census tracts with low population densities cover large areas. One census tract may cover an entire city; or there may be only two or three census tracts in an entire county. Scenarios which States and State grant recipients commonly face include:

- The service area comprises only a small portion of the unit of general local government, or of a census tract. In such situations, information on the unit of government or the census tract is not useful because the service area residents make up a small fraction of the total, and their characteristics may not mirror those of the larger area. A survey of the service area residents may be the most appropriate way to determine whether the service area qualifies under the L/M Income Area Benefit criterion. Examples of such activities include: extending water lines to serve rural settlements in a county; construction of a neighborhood tot lot serving one subdivision in a city where the entire city is one census tract.
- The service area includes all or part of several units of general local government and may contain both incorporated and unincorporated areas. Data from HUD may be usable for a portion of the service area; therefore, the State and its grant recipients may need supplementary survey data for the other portions of the service area. It may be necessary to survey a large area to determine the percentage of service area residents who are L/M income. Examples of such activities include: (1) construction of a rural water system which serves more than one incorporated city plus portions of the surrounding unincorporated area of two counties in

which the cities are located; (2) construction of a new fire station in a city where the municipal fire department provides, through contract, fire protection service for two adjoining townships (one of which is in a different county).

Suggested Procedures for Conducting a Survey to Determine Whether at Least 51 Percent of Residents in a Service Area are LMI Persons

CDBG guidance standards for conducting surveys, which are located at **24CFR 570.483(b)(1)(i)** for the State program require surveys that are “methodologically sound” to be used as the basis for LMI area benefit when Census data are not used. Experienced researchers employ survey methods that are easy to complete, gather data consistently and accurately, and produces results that answer specific questions. Persons who have never conducted a survey can do so by following a systematic approach. This section describes procedures (consisting of six steps) for conducting a survey to determine whether at least 51 percent of residents in a service area of a CDBG-funded project, are LMI persons. The procedures are comprehensive but simple enough to enable persons with no experience in conducting surveys to do conduct surveys by following this systematic approach.

Step 1: Selecting the Survey Type

The most commonly used surveys for this application are: (a) mail survey (or self-administered questionnaire), (b) face-to-face (or door-to-door) interviews, and (c) telephone interviews (see Table A). For telephone and door-to-door surveys, it might be useful for the survey team to notify people by mail in advance, to let them know that they will be contacted for a survey. This can overcome resistance due to experience with ‘telemarketers.’

Table A – Summary Comparison of the Three Survey Methods

Dimension of Comparison	Mailed Questionnaire	Face-to-Face Interviews	Telephone Interviews
Cost	Moderate	High	Low
Data Quality: Response rate Respondent motivation Interview bias	Low Low None	High High Moderate	Moderate to High High Low
Sample quality	Low	High	Moderate
Interview length	Short	Very Long	Long
Ability to probe and clarify	None	High	High

Speed	Low	Low	High
Interviewer supervision	None	Low	High
Anonymity	High	Low	Low
Ability to use computer assistance during process	None	Possible	High
Dependence on respondent's reading and writing abilities	High	None	None
Control of context and question order	High	High	High

(a) Mail Survey: This is a basic method for collecting data through the mail: a questionnaire is a set of questions sent by mail accompanied by a letter of explanation and self-addressed stamped envelope for returning the questionnaire. The respondent is expected to complete the questionnaire, put it in the envelope and return it. A common reason for not returning a questionnaire is that some people may feel it's too much burden. To overcome this problem, researchers send a self-mailing questionnaire that can be folded in a certain way so that the return address appears on the outside. In this manner, the respondent does not risk losing the envelope.

Advantages of a Mail Survey

- Covers large geographic area
- Provides an opportunity for honest answers (as opposed to dishonest answers)
- No travel required
- Enables researcher to target a particular segment of the population
- Allows respondents to complete the questionnaire at their convenience

Disadvantages of a Mail Survey

- May have possible coverage errors; for example, address lists might be inaccurate or out of date (duplicate address, incomplete or wrong addresses)
- Not appropriate for requesting detailed written responses
- May have a low return rate if too lengthy, poorly worded, or seems too personal
- May not have anyone available to assist the respondent with questions, especially if the questions are in English but the respondent's primary language is not English. Provisions must be made to provide non-English-speaking residents with a questionnaire in their own language, as appropriate
- Easiest for people to disregard, postpone, misplace or forget about it
- Needs to allow longer time to collect responses

- Costly—must pay for return postage to get a decent response rate; also you have paid for postage even for those that aren't returned
- It's all or nothing—people will either do it all or not at all; with phone or in-person surveys, one might at least get some answers

HUD does not recommend mail surveys unless at least one follow-up letter or telephone call is made to encourage an adequate response rate. Combining a mail survey with a follow-up letter or telephone call may improve the rate of response. For example, if in a door-to-door survey you find that someone is not at home, you can leave a note for the head of the family (or responsible adult) to telephone the interviewer. You can also use the phone to schedule a time when to conduct an interview or mail a letter to residents of the service area and let them know in advance when an interviewer may will call or visit.

(b) Face-to-Face (Door-to-Door) Interviews: This is a data collection technique in which one person (an interviewer) asks questions of another (the respondent) in a face-to-face encounter. It involves more work since the interviewer must go and knock on doors in order to obtain interviews. However, in small areas this type of survey may be the easiest because one can define the service area by its geographic boundaries and develop procedures for sampling within those boundaries so that a list of families living in the area is not required. Interviewers have to be well trained to ensure that procedures are consistently followed and that responses are not influenced by facial expressions.

Advantages of Face-to-Face Interviews

- Is a highly reliable method of data collection
- Researcher has full range and depth of information
- Interview may be scheduled to suit respondent's daily agenda
- Respondent has the option to ask for clarifications
- Target population may be easily located and defined
- People may be willing to talk longer, face-to-face, particularly with in-home interviews that have been arranged in advance

Disadvantages of Face-to-Face Interviews

- Responses may be less candid and less thoughtful
- Interviewer's presence and characteristics may bias responses
- Interviewer is required to go to the respondent's location
- Respondents who prefer anonymity may be influenced negatively
- May reach a smaller sample
- Lengthy responses must be sorted and coded
- Can take too much time
- Cost more per interview than other survey methods; particularly true of in-home interviews in rural areas where travel time is a major factor
- May not be able to gain access to the house (e.g., locked gates, guard dogs, "no trespassing signs," etc) in cases where residents cannot be reached by home phone
- Translators may be needed when dealing with non-English speakers

(c) Telephone Interviews: A telephone interview is a data collection technique in which one person (an interviewer) asks questions of another (the respondent) via telephone. Telephone numbers of potential participants must be selected randomly. The interviewer must ensure that the respondent is

someone competent and knowledgeable enough to answer questions about the family income status. In a telephone survey, you must devise a method for contacting those families without telephones or those with unlisted numbers. Hence it may be preferable to conduct door-to-door interviews in small service areas, especially in rural areas.

Advantages of Telephone Interviews

- Relatively easy to conduct
- Saves money and time
- Appearance and demeanor of interviewer do not influence the respondent
- Respondents may be more honest in giving socially disapproved or sensitive answers due to greater anonymity for respondent
- Interviewer may use an alias rather than his/her real name for privacy or to conceal ethnicity if relevant to the study
- Allows interviewer to ask follow up questions
- No fear for personal safety

Disadvantages Telephone Interviews

- It may be difficult to reach residents who use only cell phones at home—cell phone numbers are not listed
- Respondents may be hostile to interviews because of experience with telemarketing calls disguised as surveys
- Respondents may terminate the interview abruptly
- The interviewer may have problems reaching potential respondents by telephone because of the prevalence of answering machines that screen telephone calls
- Some people often do not like the intrusion of a telephone call to their homes
- Difficulty of reaching people due to reasons such as conflicting schedules
- Respondents may be less candid to someone on the phone than in person
- It may be difficult to get accurate answers from non-English speakers (especially illegal immigrants)

Step 2: Developing a Questionnaire

Constructing a questionnaire is a skill in which requires decisions concerning the content, wording, format, and placement of questions—all of which have important consequences on the results of what you intend to measure. There are basically four areas involved in constructing a questionnaire:

- Determine the question content, scope, and purpose
- Choose the response format to be used in collecting information from the respondent
- Word the questions so as to get at the issue of interest
- Determine how best (i.e., the order) to place the questions in the survey

It is important that all respondents are asked the same questions and that their responses are recorded exactly without additions or deletions. To ensure this, the questions must be written properly and the exact response of each respondent recorded as is presented. It is recommended that interviewers carry two cards for each family. One card will contain figures for each low- and moderate-income level and its corresponding family size (see Table B). If racial/ethnic data are to be collected, the other card will contain the following racial categories: White, Black/African American, Asian, American

Indian/Alaskan Native, Native Hawaiian/Other Pacific Islander, American Indian/Alaskan Native & White, Asian & White, Black/African American & White, American Indian/ Alaskan Native & Black/African American, and Balance/Other.

Information about the racial and ethnic composition of the service area may be obtained directly from Census data. However, HUD does not object to collecting information about racial and ethnic composition of the service area from the survey. Section 24CFR 570.491 of the State CDBG Rule requires states to submit to HUD data on the racial, ethnic and gender characteristics of persons who are applicants for, participants in or beneficiaries of their CDBG programs. This information must be reported for each activity and should indicate the number persons benefiting by each of the racial/ethnic categories.

TABLE B - Illustration of Income Cards

Card Number	Number of Persons in Family	Low/Mod Income Level
1	1	\$19,800
2	2	\$22, 650
3	3	\$25,450
4	4	\$28,300
5	5	\$30,050
6	6	\$31,850
7	7	\$33,600
8	8	\$35,400
.	.	.

Sample Questions

Question 1:

How many families currently reside at this address? _____ (If more than one family, each family must complete a separate questionnaire).

Question 2:

How many persons are there in your family? _____ (If you are single with no dependents, write 1).

If more than one family resides at the address, complete the following:

Family #1: family size (i.e., number of persons in family) _____

Family #2: family size (i.e., number of persons in family) _____

Family #3: family size (i.e., number of persons in family) _____

Question 3:

Is the current, combined income of all family members residing at this address (including any related, dependent persons over 65 or working dependent children over 18) above or below the figure quoted

on this card? ____ Yes, ____ No (Present the card showing family sizes and income levels from Table A).

Question 4:

Please, check the racial group to which you belong:

White ____, Black/African American ____, Asian ____, American Indian/Alaskan Native ____, and Native Hawaiian/Other Pacific Islander ____, American Indian/Alaskan Native & White ____, Asian & White ____, Black/African American & White ____, American Indian/ Alaskan Native & Black/African American ____, and Balance/Other _____. (Present the card showing various racial categories).

Making Contact

Initially, the interviewer should make contact with the head of the family or someone who is qualified to speak for the family and has knowledge about the family income. After making contact, the interviewer should introduce him/herself, state the purpose of the survey and solicit the participation of the respondent. If the interview is being conducted face-to-face, the interviewer should find the card for the family size of the respondent, hand it to the respondent, and then ask the questions and record the answers. If the interview is being conducted by telephone, a card cannot be used therefore, the interviewer should make reference to the income level that is the threshold for a family of the size of that of the respondent. For example, if there are three persons in the respondent's family you might ask, "is the current combined income for your family during the past twelve months, less than or more than \$25,450?"

While the necessary questions are brief and simple, there are some additional factors to take into account when designing the questionnaire. First, the questions used in the survey cannot be "loaded" or biased. For example, the interviewer may not imply that the neighborhood will benefit or receive Federal funding if respondents say that they have low incomes. The questions must be designed to determine truthfully and accurately whether respondents have low- and moderate-incomes. It is permissible to state that the reason for the survey is to gather information essential to support an application for funding under the CDBG program or to undertake a CDBG-funded activity in the area.

Second, you should bear in mind that questions about income are rather personal. Many people are suspicious or reluctant to answer questions about their incomes—especially if they do not see the reason for the question. A good way to handle this problem is usually to put questions about income at the end of a somewhat longer questionnaire on other community development matters. In this instance, a local agency can use this questionnaire to gather some information on what the neighborhood sees as important needs or to gather feedback on a proposed policy or project. At the end of such a questionnaire, it is usually possible to ask questions on income more discretely. If this option is chosen, however, the interviewer should be cautioned that lengthy questionnaire might cause respondents to lose interest before completing the survey. The ideal length here would probably be less than ten minutes, although certainly you could develop an even longer or shorter questionnaire as necessary.

Asking only the critical questions on income; however, you should know best how people in your community would respond to such questions. With a proper introduction that identifies the need for the information, you can generate an adequate level of response with just a two-question questionnaire on income level.

Step 3: Selecting the Sample

The selection of a sample of families to interview involves a series of steps. You must begin by defining the group whose characteristics you are trying to estimate. Then you must determine how many families in that group must be sampled in order to estimate the overall characteristics accurately. Next you must make some allowances for families who, for whatever reason, you will not be able to interview. And finally you must actually select the families from which you will try to obtain interviews. This section discusses each of these steps.

Defining the Population

If you are trying to determine the proportion of families in a neighborhood with LMI, that neighborhood is the target population. However, instead of a neighborhood, the population may be a town or a county, or it may be defined in some other boundary. Prior to obtaining a sample population, clearly define the area that the sample represents. Let us assume that the population is a neighborhood that contains about 400 families; sample from the 400 families and make estimates about the income level of all of the persons in the sample.

Once you have defined your population, you next need a method of identifying the families in that area so that you can interview them. Ideally, for a given neighborhood, you would have a list of every person living in the neighborhood and perhaps his or her telephone number. Then you would devise a procedure to select randomly the persons you want to interview. In reality, you probably will not even have a list of all of the families in the neighborhood, so you will have to improvise. One way would be to go to the neighborhood and randomly select which homes to go for an interview—the advantage of this method is that the houses are there, so you can go right to them instead of using a list. After collecting information on the various families, you then can make some estimates about the number of people in the neighborhood and their incomes.

City indexes (if available and up-to-date) usually provide the best source of household information suitable for sampling. Telephone books may be adequate, but keep in mind that you will miss people without telephones or with unlisted numbers. Also, telephone directories usually will have far more people listed than those who are in the service area, so you will need to eliminate those outside of your service area. Tax rolls are a source of identifying addresses in an area; however, they identify only owners whereas you are interested in residents. Also, tax rolls generally identify building addresses, whereas in the case of apartment buildings you are interested in the individual apartments. You can use tax rolls to identify addresses to go to, in order to get an interview, but you cannot use them as the basis of a mail or telephone survey (use www.reversephonedirectory.com to access telephone directory that identifies telephone numbers by property address.)

How Big a Sample?

Table C – Required Number of Interviews for Service Area of Various Sizes

Number of Families in the Service Area	Number of Responses
1 – 55	50
56 – 63	55
64 – 70	60
71 – 77	65
78 – 87	70
88 – 99	80
100 – 115	90
116 – 138	100
139 – 153	110
154 – 180	125
181 – 238	150
239 – 308	175
309 – 398	200
399 – 650	250
651 – 1200	300
1,201 – 2,700	350
2,701 or more	400

After you have defined your population and selected a method for identifying individual families in the service area, you must next determine how many families to survey. For most surveys, non-responses from the target sample constitute a potentially serious bias, since the goal is to generalize to the total population. Assuming that you develop a procedure whereby every family in your service area has an equal chance of being included in your sample, you can use Table C to determine how many families you need to interview to develop a survey of acceptable accuracy.

The first column of Table C shows the number of families in the service area and the second column shows the approximate number of responses relative to the number of families. For the purpose of this discussion, 400 families are hypothetically chosen for illustration as shown in Table C; if for example, the service area has 399 – 650 families, 250 families would be the acceptable number of families to be surveyed.

Can there be a 100 percent survey? Instead of taking a sample can the entire population be surveyed? Administering a surveying to the entire population is the same as conducting a census since there is no random sampling. There must be adequate explanations as to why a census was conducted rather than a survey. Regardless of the size of the service area, a census should not be conducted as an attempt to meet the requirement that at least 51 percent of the residents be LMI persons.

Unreachables and Other Non-responses

The standard requirements for conducting surveys includes not only the notion that systematic, representative sampling methods be used, but also that high response rates be obtained and statistical weighting procedures be imposed to maximize representativeness. It is important to realize that the sample sizes suggested in Table C indicate the number of interviews that you need to complete, and not necessarily the size of the sample you need to draw. No matter what you do, some families will not be home during the time you are interviewing, some probably will refuse to be interviewed, some will terminate the interview before you finish, and some will complete the interview but fail to provide an answer to the key question on income level. In order to be considered an adequate response, you must obtain complete and accurate information on the respondent's family size and income level.

Drawing Samples

In sampling you are looking at a portion of everyone in a group and making inference about the whole group from the portion you are observing. For those inferences to be most accurate, everyone who is in the group should have an equal chance of being included in the sample. For example, if you are sampling from a list, using a random numbers table will provide you with a random sample. In using a random-numbers table, you take a list of your population and draw from it according to the table. If, for example, the first three random numbers were 087, 384, and 102, then you would go through your population list and target the 87th, 384th, and 102nd families for an interview.

If your sample size is less than 384, you should skip '384' and go to the next number. Continue until you have achieved the desired sample size. If you encounter unreachables, you should replace them with the next family in the list, in the order they were selected. For example, if you draw a list of 300 families in an effort to obtain 250 interviews, the first family you write off as *unreachable* should be replaced with the 251st family.

Achieving a purely random sample can be costly, so sometimes it is acceptable to take some shortcuts. If you do not have a list of all the families in a service area you are trying to measure, but you know the geographic boundaries of the area, you might randomly select a point at which to start and proceed systematically from there. In the hypothetical 400-family neighborhood, in trying for 250 interviews, you would need to interview every 1.6th family (400 divided by 250) in order to cover the entire neighborhood. In whole numbers, this works out to about 2 of every 3 families. Therefore, you could start at one end of the neighborhood and proceed systematically through the entire neighborhood trying two doors and then skipping one. A family that is skipped may be used as replacement for any family selected but for which an interview is not possible. If the sample size allows for systematic selection of one out of every six families for interview, begin by randomly selecting any number from one to six; use that family as the starting point for the interview and from there select the every sixth family for interviewing. If the sixth family is unreachable, you could use the third family within the count as replacement.

You will achieve more accuracy if you are not too quick to write off a family as unreachable. You are more likely to achieve randomness if you obtain interviews from the families you selected first. Thus,

if you are doing a door-to-door survey, you probably should make two or more passes through the area (preferably at different times) to try to catch a family at home. Frequently they will be busy, but may say that they can do the interview later—you should make an appointment and return. Only after at least two tries or an outright refusal should a sampled family be replaced. With a telephone survey, at least three or four calls should be made before replacing a family.

Step 4: Conducting the survey

To carry out the survey, you have to reproduce a sufficient number of questionnaires, recruit and train interviewers, schedule the interviewing, and develop procedures for editing, tabulating, and analyzing the results.

Publicity

To promote citizen participation it may prove worthwhile to arrange advance notice. A notice in a local newspaper or announcements at churches or civic organizations can let people know that you will be conducting a survey to determine area income levels. Moreover, if you let people know in advance how, why, and when you will be contacting them, they may be more likely to cooperate.

As with all aspects of the survey and questionnaire, any publicity must be worded so that it does not bias the results. For example, it is better to say that the community is applying for a CDBG grant and that, as part of the application, the community has to provide current estimates of the incomes of the residents of the service area. It is not appropriate to say that, in order for the community to receive the desired funding, a survey must be conducted to show that most of the residents of the service area have low-and moderate-incomes.

Interviewers

It is not necessary to hire professional interviewers. Volunteers from local community groups serve well. Also, schools or colleges doing courses on civics, public policy, or survey research may be persuaded to assist in the effort as a means of providing students with practical experience.

It is best if interviewers are chosen that make the respondents feel comfortable. For this reason, survey research companies often employ mature women as their interviewers. When interviewers are of the same race and social class as the respondent, the survey usually generates a better response rate and more accurate results. It important that the interviewer commands the attention of the respondent, ask the questions as they are written, writes down the responses as given, and follows respondent selection procedures.

It is important that interviewers have all the materials needed to complete the interview. Usually, you will want to assemble an interviewer kit that can be easily carried and includes important materials such as:

- A ‘professional-looking’ 3-ring notebook (this may even have the logo of the organization conducting the survey)
- A map of the service area
- A sufficient number of copies of the survey instrument
- An official identification (preferably a picture ID)
- A cover letter from the sponsor of the survey
- A phone number the respondent can call to verify the interviewer’s authenticity.

Contact and follow-up

Interviewers should plan to contact respondents at a time when they are most likely to get a high rate of response. Telephone interviews are usually conducted early in the evening when most people are home. Door-to-door interviews also may be conducted early in the evening (especially before dark) or on weekends. You should try again, at a different times to reach anyone in the initial sample who is missed by the initial effort.

In general, you should know the best times residents of your community can be reached. What should be avoided is selecting times or methods that will risk yielding biased results. For example, interviewing only during the day, from Monday to Friday will probably miss families where both the husband and wife work. Since these families may have higher incomes than families with only one employed member, your timing may lead to the biased result of finding a high proportion of low-and moderate-income households.

Of course, in making contact with a member of the family, the interviewer first has to determine that the person being interviewed is of sufficient knowledge and competent enough to answer the questions being asked. The interviewer thus should ask to speak to the head of the family. If it is absolutely necessary to obtain an interview at the sample residence, the interviewer may conduct an interview with other resident adults or children of at least high school age only after determining that they are mature and competent enough to provide accurate information.

As part of your questionnaire, you should develop an introduction to the actual interview. This should be a standard introduction in which the interviewers introduce themselves, identify the purpose of the survey, and request the participation of the respondents. Usually, it is also a good idea to note the expected duration of the interview—in this case, to let respondents know that the burden to them will be minimal.

Interviewers also should follow the set procedures for replacing “unreachables” (discussed in step 3). If they must write off an interview, they should not say, “well, I was refused an interview here, so I’ll go over there where I think I can get an interview.” This replacement procedure is not random and thus will hurt the accuracy of your survey results.

The Interview

Every interview includes common components. There is the introduction, where the interviewer is invited into the home and establishes the rapport, and the actual process of asking questions. The first thing the interviewer must do is gain entry and several factors can enhance this. Probably the most important factor is your initial appearance. The interviewer needs to dress professionally and in a manner that will be comfortable to the respondent. The way the interviewer appears initially to the respondent sends simple messages—that you are trustworthy, honest, and non-threatening. Cultivating a manner of professional confidence, the sense that the respondent has nothing to worry about, because you know what you are doing, is an indispensable skill for achieving initial entry.

You are standing at the doorstep and someone has opened the door, even if only halfway. You need to smile and be brief. State why you are there and suggest what you would like the respondent to do. Don’t ask—suggest what you want. For example, instead of saying “May I come in to do an interview?” you might try a more imperative approach like “I’d like to take a few minutes of your time to interview you for a very important study.”

Without waiting for the respondent to ask questions, introduce yourself. You should have this part of the process memorized so you can deliver the essential information in 20-30 seconds at most. State your name and the name of the organization you represent. Show your identification badge and the letter that introduces you. If you have a three-ring binder or clipboard with the logo of your organization or sponsor, you should have it out and visible. You should assume that the respondent will be interested in participating in your study—assume that you will be doing an interview here.

If the respondent indicates that the interview should go ahead immediately, you need an opening sentence that describes the study. Keep it short and simple, no big words, and no details. Use the questionnaire carefully but informally. Interviewers should read the questions exactly as they are written. If the respondent does not understand the question or gives an unresponsive answer, it usually is best for the interviewer to just repeat the question. Do not attempt to guide the respondent to give particular responses. Questions should be read in the order in which they are written. The respondents' answers should be recorded neatly, accurately and immediately as they are provided. At the end of the interview, and before proceeding to the next interview, the interviewer should always do a quick edit of the questionnaire to be sure that they have completed every answer correctly. This simple check helps to avoid the frustrating mistake of having taken the time and expense of conducting the interview, but without getting the information sought.

If you elect to include other questions, and if you place the questions on income at the end, it is possible that a willing respondent will end the interview before you get to the critical question. If it appears to the interviewer that the respondent is about to terminate the interview, it is recommended that you immediately try to get an answer to the critical income question.

Editing

Interviewers should turn their completed surveys over to the person who will tabulate and analyze the data. That person should review each survey to ensure that it is complete and that each question is answered only once and in a way that is clear and unambiguous. Questions or errors that are found should be referred to the interviewer for clarification. It also may be desirable to call the new respondent, if necessary, to clarify incomplete or ambiguous responses. If a question or an error cannot be resolved, a replacement should be added and the respondent contacted. Note that editing is an ongoing process because, even after you have started to tabulate or analyze the data, you may come across errors that need correction.

Step 5: Determining the Results

After you have your data collected and edited, you need to add up the numbers to see what you have learned. Actually, it is useful to think of this in two parts: (1) tabulating the responses from the questionnaires and calculating an estimated proportion of low-and moderate-income persons; and (2) determining how accurate that estimate is. The first part can be taken care of by completing the enclosed Low-and Moderate-Income Worksheet.

Tabulation

Computer programs such as Microsoft Access and Excel, Minitab, SAS, and SPSS are easy to use in tabulating the data. Computers also make it relatively easy to check for accuracy and consistency in the data. However, you can perform the calculations by hand or with a calculator. Also, you can process the data by putting it on a code sheet, by entering it on a manual spreadsheet, or just by

flipping through the completed surveys. Regardless of how you process and tabulate the data, when you are finished you should be able to complete the Low-and Moderate-Income Worksheet.

Low- and Moderate-Income Worksheet

1. Enter the Estimated total number of families in the service area

1. _____
2. Enter the total number of families interviewed.

2. _____
3. Enter the total number of persons in the families interviewed

3. _____
4. Enter the total number of persons in the families interviewed who are LMI persons

4. _____
5. Divide Line 4 by Line 3

5. _____
6. Multiply Line 5 by 100. This is the percent LMI persons in the service area

6. _____

Analysis

If you have done everything right, including random selection of the required number of families, and your estimate shows that less than 51 percent of the residents of the service area are LMI persons, you cannot undertake LMI area benefit activities.

If the entry at Line 6 is at least 51 percent, you can perform additional analyses to determine the extent to which your estimate of the percent of LMI persons is correct. First, compare the average size of low- and moderate-income families with non-LMI families. The closer these figures are to each other, the more confident you can be in your estimate. Thus if you estimate that 53 percent of the residents have low- and moderate-incomes and you find in your sample that both low- and moderate-income families and above low- and moderate-income-families have an average of 3.4 people, you can be pretty sure that your results are reliable.

A second simple calculation is to arrange your data into a table such as that shown in Table D. This table enables you to compare the distribution of family sizes of families of low- and moderate-incomes with those that are above low- and moderate-incomes. In completing Table D, you would count the number of low- and moderate-income families in your survey that have just one person and enter the figure under “number” across from “one.” You would proceed to enter the number of low- and moderate-income families with two persons, with three persons, and so forth through the “nine or more” category. Adding up all the entries in this column, you enter the sum across from “total” which will be the total number of low- and moderate-income families from which you obtained interviews. Then considering families that are above low- and moderate-income levels, you follow the same procedures to complete the “number” column for them. For each income group, divide the number of one person families by the total number of families in that income group and multiply it by 100, to yield the percent of that group that are in one-person families. Fill in the “percent” columns, using this procedure. Each of the percent columns should total to 100 or so allowing for rounding errors.

Once you have completed entering the data, compare the percentages of LMI respondents with the percentages of the above LMI respondents for each family size. The closer the distribution, the greater the degree of confidence you can have in your estimate of the proportion of LMI persons. For example, if among your LMI group, 10 percent have one person, 40 percent have two persons, and 50 percent have three persons, and among your above low- and moderate-income group 12 percent have one person, 41 percent have two persons, and 47 percent have three persons, you would have a great deal of confidence in your estimate.

Table D – Comparing the Distribution of Family Size by Family Income

Number of Persons in Family	Families With Low-Mod Incomes		Families Above Low-Mod Incomes	
	Number	Percent	Number	Percent
One				
Two				
Three				
Four				
Five				
Six				
Seven				
Eight				
Nine or more				
Total		100%		100%

Compare your survey results to the most recent Census-HUD LMI statistical data (LMISD) for the census geography that most closely matches the service area. If there is big difference (e.g., LMISD = 29%, survey = 55%), then there may be other known factors to explain the difference. For example, there may have been a major economic downturn in the service area since the last census or the service area is only a small part of a large census tract and is the LMI side of the tract. Also, compare the block-group level data to ascertain that there were no anomalies in one part of town versus another; review the map of respondents versus block groups to make sure the responses were not skewed toward one side of town. Carefully analyze each scenario and make efforts to document the basis for any discrepancy.

Consider the scenario where you estimate that 51 percent of the residents have low- and moderate-incomes. You examine the distribution of the family sizes according to Table D and find that in your sample 100 percent of your low- and moderate-income group has just one person per family and 100 percent of your ‘above low- and moderate-income’ group has nine or more persons (this would be an

exceptional neighborhood). This distribution would make it probable that your sample was badly distributed in favor of large above-lower income families.

Third, after completing data collection, non-respondents should be analyzed to determine that they were reasonably random. For example, you may want to tabulate the rate of response by street or block in the service area to see whether there are notable gaps in the coverage of your survey. You may want to examine the racial or ethnic background of your respondents (if your survey collected such information) and compare them with what you supposed the distribution to be. If you do not detect any major gaps in the coverage of your sample or any anomalies in the characteristics of your non-respondents, you can be more certain of the accuracy of your estimates.

Step 6: Documenting Your Results

It is important that the results of the survey be documented, since those who audit or evaluate your program may want to review the procedures and data used to determine that the service area qualifies under the CDBG program regulations. You should therefore maintain careful documentation of the survey. The contents of that documentation are as follows:

1. Keep the completed surveys. This will show that you actually did the survey and that you asked the proper questions.

It is best if each survey has a cover sheet that contains the information that identifies the respondent, such as name, address, and telephone number. Then, when the survey is complete, the cover sheets can be separated from the questionnaires. You can save the questionnaires as documentation of your work, but you maintain the privacy of your respondents.

Save the cover sheets separately provides you a record of who was contacted for the survey. If anyone wanted subsequently to verify that you have not made up that data, they could contact some of the respondents noted on the cover sheet and ask them whether, in fact, they have been contacted on such-and-such a date by such-and-such a person to discuss matters related to community development. The privacy of their original responses still is protected by this procedure.

2. Keep a list of the actual families sampled. This might be one list with the sampled families checked once if they were sampled, and checked twice if they were interviewed. Replacement families should be noted too. There should be written documentation about the method you used to select families from the list for interviewing. Note that this is different from keeping just the cover sheets, since it documents not just who was interviewed, but also who was not interviewed and how interviewees were selected.
If you did a door-to-door sample without starting from a universe, you should have written down the procedures used to select the sample, including instructions to interviewers for replacing sampled families who were not interviewed.
3. Survey data should be retained in accordance with record-keeping requirements of the State program at **24CFR 570.490**. If you enter the data into a computer, keep a backup of the data in a CD or floppy. If you do tabulations on spreadsheets, retain the spreadsheets. If you read through the questionnaires, counted responses and entered them into a table progressively, keep the tables with the raw data counts.

VII. DISPLACEMENT POLICY

DIVISION OF ADMINISTRATION
OFFICE OF COMMUNITY DEVELOPMENT

DISPLACEMENT POLICY

The State will review and determine whether any subgrantee activity will cause temporary or permanent displacement as a result of the operation of its LCDBG program. If the State determines that an individual, family, or business will be displaced as a result of any activity, then the locality will insure that reasonable benefits will be provided.

Reasonable benefits include but are not limited to:

- (1) counseling and referral services;
- (2) providing assistance in obtaining suitable living quarters/business location whether renting or purchasing;
- (3) provide some form of benefits for moving expenses consisting of the cost of the actual move or a fixed payment based on the number of rooms as allowed by the U. S. Department of Transportation's moving schedule.

In accordance with federal regulations, the State requires each recipient locality to prepare and implement a residential antidisplacement and relocation assistance plan. That plan must include:

- (a) A requirement that all low/moderate income dwelling units that are demolished or converted to a use other than low/moderate income housing as a direct result of the use of LCDBG assistance will be replaced and
- (b) A relocation assistance component.

Substandard but economically repairable units that have been demolished or converted must be replaced under this provision, but more seriously deteriorated units need not be replaced. A sample guide to follow when preparing this plan is attached.

Guide for Residential Antidisplacement and Relocation Assistance
Plan under Section 104(d) of the Housing and Community
Development Act of 1974, as Amended.

The (jurisdiction) will replace all occupied and vacant (but suitable for occupancy) low/moderate income dwelling units demolished or converted to a use other than as low/moderate income housing as a direct result of activities assisted with funds provided under the Housing and Community Development Act of 1974, as amended, as described in 24 CFR 570.606(b)(1). The contact person for antidisplacement in (jurisdiction) is _____ who can be reached at (address and telephone number).

All replacement housing will be provided within three years of the commencement of the demolition or rehabilitation relating to conversion. Before obligating or expending funds that will directly result in such demolition or conversion, the (jurisdiction) will make public and submit to the State the following information in writing:

1. A description of the proposed assisted activity;
2. The general location on a map and approximate number of dwelling units by size (number of bedrooms) that will be demolished or converted to a use other than as low/moderate income dwelling units as a direct result of the assisted activity;
3. A time schedule for the commencement and completion of the demolition or conversion;
4. The general location on a map and approximate number of dwelling units by size (number of bedrooms) that will be provided as replacement dwelling units;
5. The source of funding and a time schedule for the provision of replacement dwelling units; and
6. The basis for concluding that each replacement dwelling unit will remain a low/moderate income dwelling unit for at least ten years from the date of initial occupancy.

The (jurisdiction) will provide relocation assistance, as described in 570.606(b)(2), to each low/moderate income household displaced by the demolition of housing or by the conversion of a low/moderate income dwelling to another use as a direct result of assisted activities.

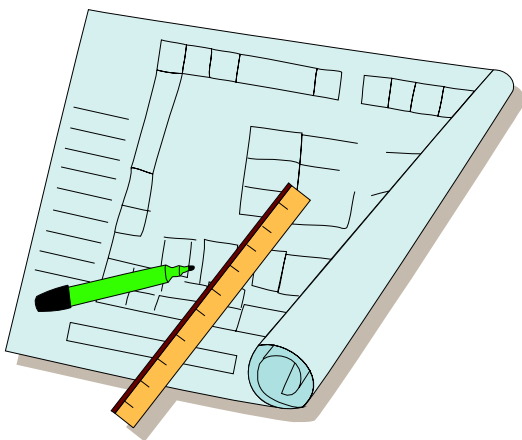
Consistent with the goals and objectives of activities assisted under the Act, the (jurisdiction) will take the following steps to minimize the displacement of persons from their homes.

1. All public facilities projects (water, sewer, gas, et cetera) will be designed so that there will be no displacement of any residences or businesses;
2. No homes will be demolished that can be rehabilitated;
3. There will be no displacement of any residential or business occupants on LCDBG projects.

**VIII. ENGINEERING FEE SCHEDULES AND POLICIES
FOR THE LCDBG PROGRAM**

ENGINEERING FEE SCHEDULES AND POLICIES

FOR THE LCDBG PROGRAM



AUGUST 2005

<p align="center">ENGINEERING FEE SCHEDULES AND POLICIES FOR THE LCDBG PROGRAM</p>

NOTE: Only funded projects are eligible for reimbursement of engineering fees.

PRE-AGREEMENT COSTS (ENGINEERING)

A flat fee of \$1,500 will be allowed for the engineering work necessary to complete the LCDBG Application. This will include the development of the project description, preparation of the cost estimate, certification of violations, and at least one site visit.

BASIC SERVICES

Basic services will be contracted as a lump sum; however, the maximum allowable fees for the LCDBG Program will be calculated based on a percentage of the estimated construction cost. The fee percentages are as follows:

Basic Services Table

Estimated Construction Cost	Basic Services Fee Percentage
\$0 - \$30,000	14.6%
\$40,000	14.1%
\$50,000	13.6%
\$60,000	13.2%
\$70,000	12.9%
\$80,000	12.6%
\$90,000	12.3%
\$100,000	12.0%
\$200,000	11.0%
\$300,000	10.3%
\$400,000	9.8%
\$500,000	9.3%
\$600,000	8.8%
\$700,000	8.6%
\$800,000	8.4%
\$900,000	8.2%
\$1,000,000	8.0%

This fee will be the engineer's compensation for providing engineering services traditionally known as "basic services" found in standard engineering contracts from the preliminary design phase through the post-construction phase. The following services will also be considered as basic services with compensation included in the fee:

1. Services to make measured drawings of or to investigate existing conditions or facilities, or to verify the accuracy of drawings or other information furnished by the Grantee.
2. Redesigning to reduce project costs to within available funds.
3. Rebidding contracts.
4. Preparing documents for alternate bids.
5. Determining the acceptability of substitute materials and equipment.
6. Services in making revisions to drawings and specifications occasioned by the acceptance of substitute materials or equipment.
7. Evaluating claims by the contractor.
8. Services in connection with preparing and furnishing to the Grantee a set of reproducible Project Record Drawings (As-Built Drawings) showing appropriate record information based on project documentation.
9. Surveying for the purposes of design except as provided in the "Eligible Additional Services" section.
10. Reproduction of reports, drawings, specifications, bidding documents, and similar project-related items.

NON-ELIGIBLE ADDITIONAL SERVICES

Services customarily referred to as additional services that will not be eligible for payment under the LCDBG Program include, but are not limited to:

1. Services required as a result of the Grantee's providing incomplete or incorrect project information.
2. Providing renderings or models.
3. Services (which are not part of basic services) during out-of-town travel required of the engineer other than for visits to the site or Grantee's office.
4. Providing construction phase services beyond the contract time unless liquidated damages are assessed.
5. Additional or extended services during construction made necessary by a significant amount of defective, neglected, or delayed work by the contractor.
6. Additional or extended services during construction made necessary by the acceleration of the progress schedule involving services beyond normal working hours.

Other additional services may not be eligible for payment under the LCDBG Program. The eligibility for payment for these services will be considered on a case-by-case basis.

ELIGIBLE ADDITIONAL SERVICES

Additional services that are eligible for payment under the LCDBG Program include, but are not limited to:

1. Providing property surveys.
2. Providing construction staking to enable the contractor to perform the work.
3. Providing extensive topographic surveying necessary for design purposes.

Compensation for additional services must be requested in the LCDBG Application. **The amount of compensation and a written justification for the additional service must be included in the cost estimate portion of the LCDBG Application. The Office of Community Development will evaluate the necessity and eligibility of the requested additional service and may disallow or limit the amount of compensation based on the results of the evaluation.**

Other additional services may be eligible for payment under the LCDBG Program. The eligibility for payment for these services will be considered on a case-by-case basis.

SANITARY SEWER EVALUATION SURVEY

Sanitary Sewer Evaluation Surveys (SSES) are eligible under the LCDBG Program for sanitary sewer collection system rehabilitation projects. The firm performing the SSES may be procured by the Grantee using LCDBG procurement requirements or may be hired by the engineer as a sub-consultant. Engineering fees for the administration of the SSES and for basic services will be computed by totaling the estimated cost of the SSES and the estimated construction cost and deriving the associated percentage of the total costs from the Basic Services Table. Resident Project Representative fees associated with the construction project will be based only on the estimated construction cost (not inclusive of the estimated cost of the

SSES). The Office of Community Development will reimburse the Grantee for the actual invoiced costs for these services up to the maximum amount allowed. Please see the section entitled, "Method of Calculating Engineering Fees" below.

RESIDENT PROJECT REPRESENTATIVE

The engineer shall furnish a Resident Project Representative (RPR), assistants, and other field staff to assist the engineer in observing the progress and quality of the work. The RPR shall be under the engineer's supervision and normally is to be a member of the engineer's staff or a contract employee. In some cases, a qualified employee of the Grantee may be approved. In any case, the engineer shall attest to the RPR's qualifications and abilities to perform the appropriate duties and responsibilities. A copy of the RPR's current resume showing his qualifications and work history must be submitted to the Office of Community Development along with a completed and signed "Qualification Certification for Resident Project Representative" form. The Office of Community Development must approve the proposed RPR before construction begins.

The fee for the RPR is to compensate for the effort necessary to ensure that the construction project is properly and adequately inspected. As part of his duties, the RPR will prepare reports recording, at a minimum, the following information: project name, contractor's name, date, weather conditions, contractor's work force (indicating work classifications), equipment (in use or idled), quantities of pay items installed, deficiencies in materials or work, general observations, summary of construction activities, and RPR's signature. Each report shall be **completely** filled out. Furnishing a RPR does not relieve the engineer of the responsibility of making visits to the site at intervals appropriate to the various stages of construction.

RPR services will be contracted as a lump sum; however, the maximum allowable fees for the LCDBG Program will be calculated based on a percentage of the estimated construction cost. The fee percentages are as follows:

RPR Services Table

Estimated Construction Cost	RPR Services Fee Percentage
\$100,000 or less	5.0%
\$200,000	4.6%
\$300,000	4.3%
\$400,000	4.1%
\$500,000	3.9%
\$600,000	3.8%
\$700,000	3.7%
\$800,000	3.6%
\$900,000	3.5%
\$1,000,000	3.4%

METHOD OF CALCULATING ENGINEERING FEES

For both the basic services fee and the fee for the resident project representative, the percentages are interpolated from the tables; however, rounding the percentage should be

avoided. The interpolated percentage is then multiplied by the estimated construction cost to calculate the fee. The fee is then rounded up to the nearest \$100.

Example: The construction cost of the project is estimated to be \$427,500. From the Basic Services Table, the percentage figure is calculated as 9.6625%. The basic services fee is calculated as $\$427,500 \times 0.096625 = \$41,307$. Rounding up to the nearest \$100 would make the eligible fee equal to \$41,400. Similarly, for the RPR fee, the percentage from the RPR Services Table is calculated as 4.045%. The RPR fee is calculated as $\$427,500 \times 0.04045 = \$17,292$. Rounding up to the nearest \$100 would make the eligible fee equal to \$17,300.

On projects involving a significant amount of pipe installation, i.e. water distribution systems and sewer collection systems, the RPR fees will be eligible to be increased. This is being done to compensate for the added inspection effort made necessary by the nature of the work. The fee or portion of the fee associated with pipe installation will be multiplied by a factor of 1.35.

The items eligible for the increase are items related to the main line, i.e. gravity sewer pipe, water distribution pipe, borings, force mains, fittings, fire hydrants, canal crossings, tapping sleeves and valves, flushing risers, etc. Not eligible are sewer manholes, sewer services, water services, and other non-main line items.

Example: The project involves the construction of a new sewer collection system. The estimated construction costs is as follows:

8" sanitary sewer pipe	\$175,000
8" sanitary sewer pipe (jack or bore)	\$ 12,000
Manholes	\$ 45,000
Mainline wyes	\$ 5,000
4" service line	\$ 50,000
4" service fittings, cleanouts, etc.	\$ 30,000
4" force main	\$ 25,000
Lift station	\$ 50,000
Asphalt street repair	\$ 10,000
Maintenance aggregate	\$ 10,000
Remove and relay 18" CMP	\$ 1,000
Remove and relay 24" CMP	\$ 1,000
Project sign	\$ 1,000
TOTAL	\$415,000

From the table, the percentage figure is calculated as 4.07%. The initial fee is calculated as $\$415,000 \times 0.0407 = \$16,891$. The amount subject to the increase is the amount related to the main line items, i.e. \$175,000 (8" sanitary sewer pipe) + \$12,000 (8" sanitary

sewer pipe (jack or bore) + \$5,000 (mainline wyes) + \$25,000 (force main) = \$217,000. Prorating the fee gives $(\$217,000/\$415,000) \times \$16,891 = \$8,832$. The increased portion is $\$8,832 \times 1.35 = \$11,923$. The remainder is $\$16,891 - \$8,832 = \$8,059$. The total allowable fee is $\$11,923 + \$8,059 = \$19,982$. Rounding up to the nearest \$100 would make the eligible fee equal to \$20,000.

On projects involving water wells or ground storage tanks, the fee (or applicable portion) will be as per the RPR Services Table up to a maximum of \$7,500 for each well or tank.

On projects involving elevated storage tanks, the fee (or applicable portion) will be as per the RPR Services Table up to a maximum of \$12,000 for each tank. The fee for paint inspection shall be included herein.

TESTING AND GEOTECHNICAL INVESTIGATIONS

It shall be the responsibility of the Grantee to provide the services of an independent testing laboratory to perform all inspections, tests, and approvals of samples, materials, and equipment required by the contract documents. Additionally, there will be occasions when the engineer will require a geotechnical investigation to be performed for the purposes of engineering design. The hiring of a firm or firms to provide these services may be accomplished by either the Grantee procuring the firm(s) in accordance with LCDBG procurement requirements and entering into a contract with the firm(s) or the Grantee may allow the engineer to contract directly with the firm(s) in which case the LCDBG procurement requirements would not apply.

The basic services fee will include compensation to the engineer for providing assistance to the Grantee in the selection of the firm(s), contract negotiation and preparation, processing and handling invoices, and other associated overhead costs. The engineer will estimate the cost of testing services and geotechnical investigations in the LCDBG Application and will include a written justification for each service. The Office of Community Development will reimburse the Grantee for the actual invoiced costs for these services up to the maximum amount allowed.

PERMITS

Reimbursement will be made to the Grantee for railroad crossing permits up to a maximum of \$1,800. For all other permits, reimbursement will be made to the Grantee for the actual cost of the permit (any engineering work required for permit applications is included in the compensation for basic services).

APPLICATION LINE ITEMS FOR ENGINEERING COSTS

Each engineering item should be shown on the cost estimate of the LCDBG Application as a separate line item. Typical items include basic services, resident project representative,

surveying (topographic), surveying (property acquisition), construction staking, testing, geotechnical investigation, etc. **Written justification must be provided for all engineering services other than the basic services and Resident Project Representative fees. The justification is to contain an explanation of how the requested fee was derived.**

**IX. EXCERPT FROM PROPOSED FY 2006
CONSOLIDATED ANNUAL ACTION PLAN**

ACTION PLAN: ONE YEAR USE OF FUNDS

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

I. Program Goals and Objectives

The Louisiana Community Development Block Grant (LCDBG) Program, as its primary objective, provides grants to units of general local government in non-entitlement areas for the development of viable communities by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income. Consistent with this objective, not less than seventy percent of the aggregate of fund expenditures shall be for activities that benefit low and moderate income persons.

Each activity funded must meet one of the following two national objectives:

- A. Principal benefit (at least fifty-one percent) to low/moderate income persons.
- B. Elimination or prevention of slums and blight. In order to justify that the proposed activity meets this objective, the following must be met. An area must be delineated by the grantee which:
 - 1. meets the definition of slums and blight as defined in Act 590 of the 1970 Parish Redevelopment Act, Section Q-8 (See Appendix 2); and
 - 2. contains a substantial number of deteriorating or dilapidated buildings or public improvements throughout the area delineated.

The grantee must describe in the application the area boundaries and the conditions of the area at the time of its designation and how the proposed activity will eliminate the conditions which qualify the area as slums/blight. If an applicant plans to request funds for an activity claiming that the activity addresses the slums/blight objective, the State's Office of Community Development must be contacted for the specific requirements for this determination/qualification prior to application submittal.

To accomplish these national objectives, the State has established the following goals:

- A. strengthen community economic development through the creation of jobs, stimulation of private investment, and community revitalization, principally for low and moderate income persons,
- B. benefit low and moderate income persons,
- C. eliminate or aid in the prevention of slums or blight, or
- D. provide for other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community where other financial resources are not available to meet such needs.

II. General

A. Application Process. This statement sets forth the policies and procedures for the distribution of LCDBG funds. Grants will be awarded to eligible applicants for eligible activities based on a competitive selection process to the extent that funds are available.

The State's Office of Community Development shall establish deadlines for submitting applications and notify all eligible applicants through a direct mailing. The housing and public facilities applications which meet threshold criteria for FY 2006 will be rated and ranked and funded to the extent that FY 2006 LCDBG monies are available. The housing and public facilities applications which are not funded under the FY 2006 program year and which meet threshold criteria for FY 2007 will be rated and ranked and funded to the extent that monies are available under the FY 2007 program year. Only one application for housing or public facilities can be submitted for FY 2006 funds (with the exception noted under II.G.); that same application will be considered for FY 2007 funds. No new applications for housing and public facilities will be accepted under the FY 2006 LCDBG Program. Economic development applications, demonstrated needs applications, and LaSTEP applications requesting FY 2006 LCDBG funds will be accepted on a continual basis within the time frames designated by the State's Office of Community Development.

B. Eligible Applicants. Eligible applicants are units of general local government, that is, municipalities and parishes, excluding the following areas: Alexandria, Baton Rouge, Bossier City, Terrebonne Parish Consolidated Government, Jefferson Parish (including Grand Isle, Gretna, Harahan, Jean Lafitte, and Westwego), Kenner, Lafayette Parish Consolidated Government, Lake Charles, Monroe, New Orleans, Shreveport, Slidell, and Thibodaux. Each eligible applicant may only submit an application(s) on its own behalf.

In general and in most instances, the applicant for a particular project will be determined by (will be synonymous with) the location of the potential beneficiaries of that project. There may be instances, however, in which the potential beneficiaries reside within the jurisdiction of more than one local governing body. In those circumstances, the following specific rules will apply.

1. If the proposed project will serve beneficiaries that reside in two or more units of general local government and more than fifty-one percent of those beneficiaries are located within the jurisdiction of one of those units, the appropriate applicant will usually be the unit of government in which more than fifty-one percent of the beneficiaries reside; two circumstances where an exception to this rule may apply are discussed as follows.

There may be instances whereby a local governing body owns a utility system but the majority of the users reside outside of the local governing body's jurisdiction. There may also be instances whereby a municipality wishes to extend its utility system to an adjacent, unincorporated neighborhood or street; this type of instance will require annexation of the unincorporated area prior to the closeout of the grant. In both of these instances, the local governing body which owns the utility system will be required to meet with the staff in the State's Office of Community Development to determine who the appropriate applicant will be.

Only the applicant, not the other unit(s) of government involved, for this type of project will have to meet the threshold criteria to be eligible for funding. The applicant will have to enter into a cooperation agreement with the other unit(s) of government involved; a copy of the cooperation agreement must be included in the application.

There may be other circumstances similar to the ones described but not specifically defined herein; in those instances, the local governing body proposing the project must also meet with the staff in the State's Office of Community Development for the purpose of determining the appropriate applicant.

2. If the proposed project will serve beneficiaries that reside in more than one unit of general local government and no more than fifty-one percent of the beneficiaries are located within the jurisdiction of one of those units, the Office of Community Development will consider this as a joint or multi-jurisdictional application.

All joint applications will require a meeting with the State's Office of Community Development within the Division of Administration prior to submitting the application. The purpose of that meeting will be to determine the appropriate applicant and to explain all of the steps that must be taken by all units of local government involved in the application. All local governing bodies involved in a joint application must be eligible according to the threshold criteria. The designated applicant (one unit of government) will apply for the grant and act as the representative for the other participating units. Although each jurisdiction will have to make the required certifications, the designated applicant will be responsible for ensuring that the approved activities will be carried out in accordance with all applicable state and federal requirements. To meet the citizen participation requirements for a joint or multi-jurisdictional application, each unit of government involved will have to hold the public hearings and publish the notices required for an application. The application will also have to contain individual sets of assurances signed by each local governing body involved. The designated applicant will also have to enter into a legally binding cooperation agreement with each local governing body stating that all appropriate requirements of the Housing and Community Development Act of 1974, as amended, will be complied with; those specific requirements will be discussed during the pre-application meeting with the State's Office of Community Development. A copy of the cooperation agreement must be included in the application. Each local governing body which is a part of a joint application but is not the designated applicant may submit an application on its own behalf.

C. Eligible Activities. An activity may be assisted in whole or in part with LCDBG funds if the activity is defined as eligible under Section 105(a) of Title I of the Housing and Community Development Act of 1974, as amended, and as provided in Appendix 3. While there are many activities eligible for CDBG funds, the federal regulations allow states to determine which of those activities are priorities and to allocate funds for those priorities only. For application purposes, eligible activities are grouped into the program areas of housing, public facilities, economic development, demonstrated needs, and LaSTEP projects.

D. Types of Grants. The Office of Community Development will only accept applications for single purpose grants under the housing, public facilities, economic development, demonstrated needs, and LaSTEP programs. A single purpose grant for housing, public facilities,

demonstrated needs, or LaSTEP provides funds for one primary need (potable water or water for fire protection or sewer or streets or community centers or housing, et cetera) consisting of an activity which may be supported by auxiliary activities. Single purpose economic development applications are for one project, consisting of one or more activities. Examples of auxiliary activities are drainage improvements undertaken in conjunction with street improvements, the acquisition of land upon which a wastewater treatment plant will be constructed, and the installation of service connections for a new water system. While a housing grant may involve both housing rehabilitation and replacement housing which are two activities, it is still considered as a single purpose application because those are merely two mechanisms for addressing the need of housing improvements. An application for water system improvements which requests monies equally to upgrade the water treatment plant (potable water improvements) and to upgrade its water system for fire protection purposes would be considered as a multi-purpose application since the two major activities are not in support of each other and therefore do not address one need; in this example, each activity stands alone. If, however, an application requests funds for a water well which would dually provide additional potable water and additional water for fire fighting purposes, a primary need must be identified so that the application will be considered as a single-purpose application. The Office of Community Development will make the final determination as to the classification of the application.

E. Distribution of Funds. Approximately \$32,508,872 (subject to federal allocation) in federal funds may be available for the FY 2006 LCDBG Program. At this time, this amount cannot be predicted, as the Community Development Block Grant Program could be eliminated, according to the President's budget proposal. Should the program continue it is expected that the State will receive no more than last year's allocation of \$32, 508,872. Using this amount, Figure 1 shows how the total funds will be allocated among the various program categories.

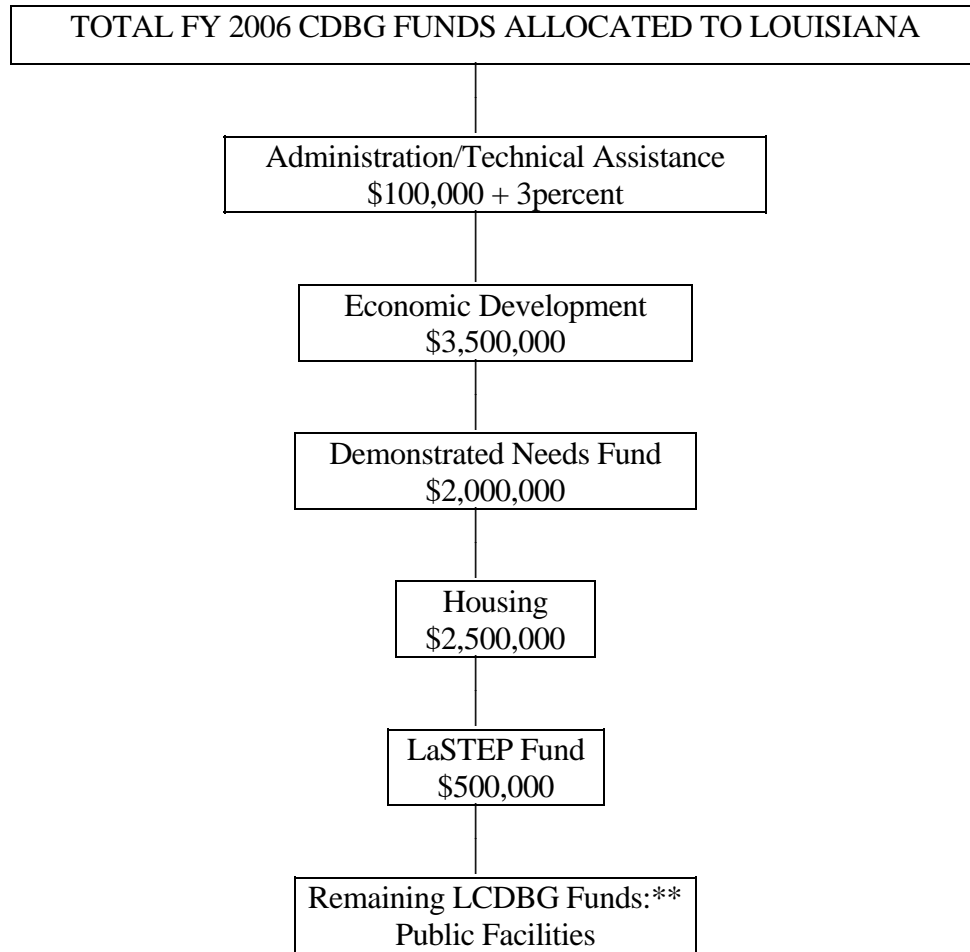
Of the total CDBG funds allocated to the State, up to \$100,000 plus three percent will be used by the Office of Community Development to administer the program and to provide technical assistance.

Since the creation and retention of permanent jobs is critical to the economy of the State of Louisiana, \$3,500,000 will be allocated specifically for economic development type projects.

In addition, \$2,000,000 will be set aside for the Demonstrated Needs Fund, \$2,500,000 will be set aside for housing projects (of which \$100,000 of those funds will be reserved for a pilot accessibility program), and \$500,000 will be set aside for the LaSTEP Fund. Any of the housing, demonstrated needs, and LaSTEP monies which are not utilized/obligated will be transferred to the public facilities program category.

Public facilities applications will be funded with the remaining LCDBG funds. Of the total amount allocated for public facilities projects, \$1.6 million will be set-aside for multi-purpose community centers. If it is determined that none of the applicants for multi-purpose community centers meet threshold requirements or none of the applications meet the program requirements, the funds set-aside for multi-purpose community centers will be transferred for use in the public facilities program category for the current program year. The balance of the public facilities fund will be divided among subcategories; the exact distribution of these funds will be based upon the percentage

FIGURE 1



*Of the total amount allocated for housing projects, \$100,000 will be set aside for one physical accessibility project. The balance will be used to fund other housing activities such as rehabilitation, reconstruction, and demolition.

* *Of the total amount allocated for public facilities projects, \$1.6 million will be set aside for multi-purpose community centers. The balance of the public facilities monies will be divided among subcategories. The percentage distribution among the public facilities program subcategories will be based upon the number/ percentage of applications received and amount requested in each subcategory as established under the FY 2006 LCDBG Program. Half of the funds will be distributed based on the percentage of applications received in each subcategory and half on the basis of amount of funds requested in each subcategory. Subcategories will be established under public facilities based upon the program priorities (new sewer systems primarily involving collection lines and/or new sewer systems involving treatment, rehabilitation of existing sewer systems primarily involving collection lines and/or rehabilitation of existing sewer systems involving treatment, or treatment only, water systems addressing potable water, water systems primarily for fire protection purposes, and streets) and other type projects.

of applications received and amount of funds requested in each subcategory as established under the FY 2006 LCDBG Program. Half of the money will be allocated based on the number of applications received in each subcategory and half based on the amount of funds requested in each subcategory. The subcategories for public facilities will involve the following program priorities: (new sewer systems primarily involving collection lines and/or new sewer systems involving collection and treatment, rehabilitation of existing sewer systems primarily involving collection lines and/or rehabilitation of existing sewer systems involving collection and treatment, or sewer treatment only, water systems addressing potable water, water systems primarily for fire protection purposes, and streets) and other type projects. (The FY 2007 public facilities monies will be distributed among the public facilities subcategories based upon the distribution percentages and methods established under the FY 2006 program). Any monies remaining in the set-aside for physical accessibility and multi-purpose community centers will be distributed to the public facilities program category.

Five months following the beginning date of the State's program year with HUD, the status of the monies originally allocated for economic development will be evaluated. At that time, any monies in excess of half of the original allocation which have not yet been applied for under the economic development category will then be transferred to the current program year's public facilities category to fund additional projects in accordance with the ranking system. Ten months following the beginning date of the State's program year with HUD, all monies not yet applied for which remain in the original allocation for economic development will be transferred to the current program year's public facilities category to continue to fund the highest ranked projects(s) not already funded. In this latter instance, if a determination is made that a particular application for economic development funds will not be funded, the funds reserved for that application will be immediately transferred to the current program year's public facilities category. Should the situation arise, at any time, whereby a fundable application for economic development is received and insufficient funds are available, recaptured funds that have not already been allocated amongst the public facilities priority subcategories or monies from the Economic Development Revolving Loan Fund can be used to fund the project. Any amount taken from the Revolving Loan Fund for infrastructure assistance during one program year will be reimbursed at the beginning of the forthcoming program year; such reimbursement will be taken from the forthcoming program year's economic development allocation. The monies awarded for economic development infrastructure projects for the program year cannot exceed the amount originally allocated for that program year.

F. Size of Grants

1. Ceilings. The State has established a funding ceiling of \$600,000 for housing grants, \$750,000 for sewer treatment grants, \$700,000 for new sewer grants, \$500,000 for sewer rehabilitation grants, \$500,000 for potable water grants, \$400,000 for water for fire protection grants, \$350,000 for street grants, \$225,000 for demonstrated needs grants, \$500,000 for LaSTEP grants, and \$800,000 for multi-purpose community center grants. For demonstrated needs grants, there will be a minimum of \$50,000 in actual construction costs (excluding acquisition and engineering costs). For street grants, a minimum of \$150,000 and a maximum of \$350,000 may be requested. The State has established different and distinct funding ceilings for economic development projects involving the creation of a new business and for economic development projects involving the expansion of an existing business. If the project is requesting funds for the creation of a new business, no more than

\$639,000 may be requested for a loan to the business, a grant to the local governing body for infrastructure improvements, or a combination of the two. If the project is requesting funds for the expansion of an existing business, no more than \$1,039,000 may be requested as a grant for infrastructure to the local governing body for most projects. In the case of a very large project with substantial private investment that is locating in a census designated area with poverty rates of 20 percent or greater, up to one-half of the economic development allocation may be used for infrastructure provided that other funding criteria are met. There is no specific funding ceiling for the loan portion of a project whether alone or in combination with an infrastructure request. The State reserves the right to exercise its discretion in imposing a funding ceiling available per project. Requests for the acquisition, construction or rehabilitation of buildings and improvements (including parking lots) by the local governing body as a grant has a ceiling of \$1,039,000. If these three items are included in a loan request, they are subject to the same loan restrictions listed above.

Within the ceiling amounts and at the discretion of the Office of Community Development, applicants may request funds for the reimbursement of pre-agreement costs (application preparation fees). In order to be eligible for the pre-agreement costs, the following requirements must be met: (1) the application must be funded under the FY 2006 – FY 2007 LCDBG Program years, (2) the LCDBG procurement procedures must have been followed in the procurement of engineering and/or administrative consulting firms, (3) the application preparation tasks and corresponding costs must be identified in a written contract between the firms and the local governing body and (4) the application components (engineering and/or administrative consulting) must have been properly and adequately packaged as determined by the Office of Community Development. Only those local governing bodies which receive grant awards will be eligible for pre-agreement costs. The Office of Community Development has the option of reducing the reimbursable amount requested for pre-agreement costs on funded applications. The amount of the reduction will be determined by the component(s) of the application which is deemed inadequate. This reduction may be assessed to applications which are funded and which are also subject to the penalty procedure described in Section III. E. 2. The specific requirements which must be followed are/will be identified in the FY 2006 - FY 2007 LCDBG Application Packages for housing and public facilities, and in the FY 2006 Application Packages for demonstrated needs, LaSTEP, and economic development. The pre-agreement costs which can be reimbursed with LCDBG funds depend on the type of project funded:

(a) Housing applications - a maximum of \$2,500 will be allowed. Of this amount, a maximum of \$1,000 will be allowed for the packaging of the application and a maximum of \$1,500 will be allowed for household surveying costs only if the administrative consultant assumes that responsibility. A minimum of one on-site visit to the target area will be required of the administrative consultant for pre-agreement costs.

(b) Public facilities, demonstrated needs, and LaSTEP applications - a maximum of \$3,700 will be allowed. Of this amount, a maximum of \$1,500 will be allowed for engineering/architectural services; such services may include the preparation of applicable portions of the project description, the cost estimate, the project severity attachment when applicable, pre-application conferences, et cetera. A maximum of \$2,200 will be allowed for administrative

consulting fees; a maximum of \$1,400 will be allowed for the preparation of all non-engineering forms and the overall packaging of the application and a maximum of \$800 will be allowed for household surveying costs only if the administrative consultant conducts/performs the survey. A minimum of one on-site visit will be required of the engineer/architect and the administrative consultant for pre-agreement costs. No pre-agreement costs for surveying will be reimbursed when census data rather than a household survey is utilized. No pre-agreement costs for surveying will be reimbursed for multi-purpose community centers when limited clientele data is provided by service providers proposing to utilize the center and a household survey is not necessary.

(c) Economic development applications - a maximum of \$4,000 will be allowed. Due to the individual and unique circumstances surrounding each economic development application, prescribed amounts are not made for administrative consulting and engineering services; the breakdown of those fees will have to be negotiated among the local governing body, the administrative consulting firm, and the engineering firm.

Within the ceiling amounts the State also allows applicants to request funds for administrative costs with the following limitations. Each local governing body will be allowed a maximum of \$35,000 in LCDBG funds for administrative costs on public facilities, housing, and economic development projects. In addition to the \$35,000, local governing bodies administering housing projects will be allowed an additional \$3,200 for construction and administration for each housing unit rehabilitated/reconstructed. (The monies allowed for construction administration must be budgeted in the line item entitled "rehabilitation loans and grants.") The local governing body will be allowed a maximum of \$25,000 in LCDBG funds for administrative costs on demonstrated needs projects and \$30,000 for LaSTEP projects. If the local governing body has another open or ongoing LCDBG program (one that has not been issued a conditional or final closeout) or if the demonstrated needs project is subsequently approved as an emergency project, the maximum amount allowed for administrative costs will be reduced to \$20,000. (Refer to Section III.C.6. Demonstrated Needs Fund for additional reductions in administrative costs which may occur under certain circumstances.) In all instances, the local governing body may (but is not required) to retain up to five percent of the funds allowed for program administration to cover its costs of administering the LCDBG Program; such costs on the local governmental level include but are not limited to audit fees, advertising and publication fees, staff time, workshop expenses, et cetera. If, after a project has been funded, the scope of the project changes significantly, the State will make a determination as to the actual amount which will be allowed for administrative costs; this determination will be made on a case-by-case basis.

Engineering and architectural fees may also be requested within the ceiling amounts; the funds allowed by the State will not exceed those established by the Office of Community Development. The Office of Community Development reserves the right to make adjustments to those ranges when deemed necessary. If, after a project has been funded, the scope of the project changes significantly, the State will make a determination as to the actual amount which will be allowed for engineering costs; this determination will be made on a case-by-case basis. An adjustment (reduction) to the amount allowed for basic engineering fees will also be made in those instances where the project plans and specifications were prepared prior to the grant award.

2. Individual Grant Amounts. Grants will be provided in amounts commensurate with the applicant's program. In determining appropriate grant amounts for each application, the State shall consider an applicant's need, proposed activities, and ability to carry out the proposed program.

G. Restrictions on Applying for Grants

1. With the exception of municipalities with a population of more than 25,000 and parishes which have an unincorporated population of more than 25,000, each eligible applicant can apply for one housing or public facilities grant (including multi-purpose community centers) under the FY 2006 LCDBG Program; those applications not funded under the FY 2006 LCDBG Program will be considered for funding under the FY 2007 LCDBG Program. Those municipalities with a population of more than 25,000 and those parishes which have an unincorporated population of more than 25,000 can submit a maximum of two single purpose applications for housing or public facilities with a combined maximum request of \$1.55 million; the individual amounts requested per application could not exceed the funding ceiling amount for that particular type of application as identified in Section II.F.1. (Refer to the additional stipulations in Section II.G.2.) According to 2000 census information obtained from the Louisiana Census Data Center as provided by the U.S. Bureau of the Census, those municipalities and unincorporated parishes with populations in excess of 25,000 include: Acadia Parish, Ascension Parish, Bossier Parish, Caddo Parish, Calcasieu Parish, Iberia Parish, Lafourche Parish, Livingston Parish, City of New Iberia, Ouachita Parish, Plaquemines Parish, Rapides Parish, St. Bernard Parish, St. Charles Parish, St. John the Baptist Parish, St. Landry Parish, St. Martin Parish, St. Tammany Parish, Tangipahoa Parish, Vermilion Parish, Vernon Parish, and Washington Parish.

Any eligible applicant may apply for an economic development project, demonstrated needs grant, accessibility grant or LaSTEP grant under the FY 2006 LCDBG Program, even those applicants previously funded under the housing or public facilities components of the FY 2006 LCDBG program. The number of demonstrated needs grants which an eligible applicant may receive during any program year is limited to one. Municipalities may only be funded for a demonstrated needs project every other program year. Parishes may be funded for one project every program year; however, the sewer, water, or gas system for which it receives demonstrated needs funds can only be funded every other program year under the demonstrated needs program category.

2. Capacity and performance: threshold considerations for grant approval. No grant will be made to an applicant that lacks the capacity to undertake the proposed program. In addition, applicants which have previously participated in the Community Development Block Grant Program must have performed adequately.

In order to be eligible for a housing or public facilities grant award under the FY 2006 LCDBG Program, the following thresholds must have been met:

(a) Units of general local government will not be eligible to receive funding unless past LCDBG programs (FY 1997, FY 1998, FY 1999, FY 2000, FY 2001, FY 2002, FY 2003, FY 2004 and FY 2005) awarded by the State have been conditionally closed-out with the following exceptions.

For recipients of economic development awards under the FY 2002, FY 2003, FY 2004, and FY 2005 LCDBG Programs and for recipients of demonstrated needs awards funded under the FY 2005 LCDBG Program, the State will, at its own discretion on a case-by-case basis, make a determination on the recipient's performance. If the State makes the determination that the recipient has performed adequately, the State may deem that recipient also eligible for FY 2006 funding.

The following stipulations in this paragraph relate to those parishes with an unincorporated population of more than 25,000 and cities with a population of more than 25,000 (identified in Section II. G.1.) which may be applying for funds under the FY 2006 LCDBG program year. If any of these local governing bodies have no open or ongoing housing or public facilities grants awarded prior to the FY 2006 LCDBG program, the local governing body will be eligible to receive two grants under the FY 2006 LCDBG Program. If any of these local governing bodies have one housing or public facilities grant awarded prior to the FY 2006 LCDBG program year which has not been conditionally closed-out, the local governing body will only be eligible to receive one grant under the FY 2006 LCDBG Program; if both applications are in a funding position under the FY 2006 program, then the local governing body may choose which application will be funded. If any of these local governing bodies have two open or ongoing housing and/or public facilities grants awarded prior to the FY 2006 LCDBG program year, the local governing body will not be eligible for any grants under the FY 2006 LCDBG program year.

(b) Audit and monitoring findings made by the State or HUD have been cleared.

(c) All required reports, documents, and/or requested data have been submitted within the timeframes established by the State.

(d) Any funds due to HUD or the State have been repaid or a satisfactory arrangement for repayment of the debt has been made and payments are current.

(e) The unit of general local government cannot be on the list of sanctioned communities which is maintained by the Office of Community Development.

In order to be eligible for a housing or public facilities grant award under the FY 2007 LCDBG Program, the following thresholds must have been met:

(a) Units of general local government will not be eligible to receive funding unless past LCDBG programs (FY 1997, FY 1998, FY 1999, FY 2000, FY 2001, FY 2002, FY 2003, FY 2004, FY 2005, and FY 2006) awarded by the State have been conditionally closed-out with the following exceptions.

For recipients of economic development awards under the FY 2003, FY 2004, and FY 2005, and FY 2006 LCDBG Programs and for recipients of demonstrated needs awards funded under the FY 2006 LCDBG Program, the State will, at its own discretion on a case-by-case basis, make a determination on the recipient's performance. If the State makes the determination that the recipient has performed adequately, the State may deem that recipient also eligible for FY

2007 funding.

The following stipulations in this paragraph relate to those parishes with an unincorporated population of more than 25,000 and cities with a population of more than 25,000 (identified in Section II. G.1.) which may be applying for funds under the FY 2007 LCDBG program year. If any of these local governing bodies have no open or ongoing housing or public facilities grants awarded prior to the FY 2007 LCDBG program, the local governing body will be eligible to receive two grants under the FY 2007 LCDBG Program. If any of these local governing bodies have one housing or public facilities grant awarded prior to the FY 2007 LCDBG program year which has not been conditionally closed-out, the local governing body will only be eligible to receive one grant under the FY 2007 LCDBG Program; if both applications are in a funding position under the FY 2007 program, then the local governing body may choose which application will be funded. If any of these local governing bodies have two open or ongoing housing and/or public facilities grants awarded prior to the FY 2007 LCDBG program year, the local governing body will not be eligible for any grants under the FY 2007 LCDBG program year.

(b) Audit and monitoring findings made by the State or HUD have been cleared.

(c) All required reports, documents, and/or requested data have been submitted within the timeframes established by the State.

(d) Any funds due to HUD or the State have been repaid or a satisfactory arrangement for repayment of the debt has been made and payments are current.

(e) The unit of general local government cannot be on the list of sanctioned communities which is maintained by the Office of Community Development.

For the FY 2006 program year, only those housing and public facilities applications which are submitted by grantees who meet the threshold requirements will be rated and ranked. For the FY 2007 program year, the eligibility status of the housing and public facilities applicants will be re-evaluated; at that time any additional applications that are determined to be eligible for FY 2007 funding will be rated and ranked. If an applicant does not meet the threshold requirements for either program year, its application will not be rated.

The State may announce some FY 2006 and FY 2007 housing and public facilities awards and issue “authorizations to incur costs” for those awards prior to the beginning of the FY 2006 and FY 2007 LCDBG Program years. Those issuances will be contingent upon the applicants meeting threshold requirements and upon the State’s receipt of FY 2006 and FY 2007 LCDBG funds from HUD.

The State is not responsible for notifying applicants as to their performance status.

The capacity and performance thresholds do not apply to applicants for economic development, demonstrated needs or LaSTEP funds with the exception that no award will be made to a previous recipient who owes money to the State unless an arrangement for repayment of the debt has been made and payments are current or to a local governing body on the sanction list.

The threshold requirements for FY 2006 funding will not apply to the recipients of the FY 2002, FY 2003, FY 2004, and FY 2005 LaSTEP funds or FY 2000 and FY 2002 technology funds based on those grants only. If, however, the recipients of the LaSTEP funds or technology funds have an LCDBG program funded under another program category, that grant must meet the threshold requirements in order for the recipient to be eligible for other funding.

H. Definitions. For the purpose of the LCDBG Program or as used in the regulations, the following terms are defined as:

Auxiliary Activity - a minor activity which directly supports a major activity in one program area (housing, public facilities, economic development, demonstrated needs, LaSTEP, and technology). Note: The State will make the final determination of the validity (soundness) of such auxiliary activities in line with the program intent and funding levels and delete if deemed appropriate.

Division - refers to the Division of Administration, Office of Community Development, which is the administering agency for the LCDBG Program for the State.

Extremely Low Income Persons - are defined as those families and individuals whose incomes do not exceed thirty percent of the area median income; to avoid inconsistencies with other income limits, it is defined as sixty percent of the four person family low-income limit, adjusted for family size.

Low/Moderate Income Persons - are defined as those families and individuals whose incomes do not exceed eighty percent of the median income of the area involved as determined by the U. S. Department of Housing and Urban Development with adjustments for areas with unusually high or low income or housing costs. The area involved has been determined by the U. S. Department of Housing and Urban Development to be the same area as determined for purposes of assistance under Section 8 of the United States Housing Act of 1937. This term encompasses moderate, low, and extremely low income persons.

Low Income Persons - are defined as those families and individuals whose income exceeds thirty percent but does not exceed fifty percent of the median income of the area involved, as determined by the U. S. Department of Housing and Urban Development with adjustments for areas with unusually high or low incomes.

Moderate Income Persons - are defined as those families and individuals whose income exceeds fifty percent but does not exceed eighty percent of the median income of the area involved, as determined by the U. S. Department of Housing and Urban Development with adjustments for smaller and larger families.

Poverty Persons - include those families and individuals who are classified as being above or below the poverty level using the poverty index which reflects the different consumption requirements of families based on their size and composition. The income figures used for the poverty thresholds are based solely on money income and do not reflect non-cash benefit such as food stamps, Medicaid, and public housing. This is the definition established by the U. S.

Department of Commerce for census purposes.

State - refers to the State of Louisiana or the Office of Community Development within the State's Division of Administration which administers the LCDBG Program.

Slums and Blight - as defined as in Act 590 of the 1970 Parish Redevelopment Act, Section Q-8. (See Appendix 2.)

Unit of General Local Government - any municipal or parish government of the State of Louisiana.

III. Method of Selecting Grantees

The State has established selection and rating systems which identify the criteria used in selecting grantees.

A. Data

1. Low/Moderate Income. In order to determine the benefit to low/moderate income persons for a public facility, demonstrated needs, or LaSTEP project, the applicant must utilize census data (if available) and/or conduct a local survey. A local survey must be conducted for housing activities and must involve one hundred percent of the total housing units within the target area. A local survey must also be conducted for street projects.

(a) Census Data. If census data is available for the project area, its low/moderate income data must be utilized for public facilities, (except streets) demonstrated needs, and LaSTEP projects. The U.S. Department of Housing and Urban Development (HUD) has provided the low/moderate income data based on the 2000 Census on its website. The census data can also be obtained from the LCDBG staff in the Office of Community Development in a simpler format. That information is available on a community-wide basis as well as for census tracts, block groups, and logical record numbered areas. The applicant must obtain this information prior to the submittal of the application.

(b) Local Survey. When a project area does not coincide with census tracts, block groups, or logical record numbered areas, an applicant must conduct a local survey or combine census data with a local survey. For instance, if a project area encompasses an entire logical record numbered area, but is larger than the logical record numbered area, (however does not encompass an entire block group), the applicant would utilize the census data for the logical record numbered area, and conduct a survey of the additional areas which are outside of the logical record numbered area and combine the data. The survey sheet in the appropriate application package (for the type of project for which funds are requested) must be used. Survey data must also be tabulated and submitted on the forms provided in the appropriate application package; survey data submitted on forms other than those provided in the appropriate application packages will not be accepted. Local surveys must identify the number and composition of low/moderate income persons as well as the number and composition of moderate, low and extremely low income persons.

Local surveys which were conducted for the FY 2004 – FY 2005 funding cycle may be used/resubmitted for no more than two funding cycles for certain public facilities applications (potable water, water for fire protection, wastewater, and multi-purpose community centers) and for no more than four program years for demonstrated needs and LaSTEP applications if the following two requirements are met. 1) Surveys originally conducted for the FY 2004 and FY 2005 program years (for the current target area or portion thereof) must have included information for the correct random numbered residential structures as provided by the Office of Community Development. If the target area boundaries have been expanded from the previously surveyed target area, a current survey of the expanded portion of the target area must also be conducted, using the correct random numbers for the expanded area. Combined, the previously conducted survey and the current additional survey must account for all residential structures in the total target area. Or, the applicant may choose to re-number all residential structures in the entire target area, and conduct a new survey (also, the applicant could utilize data from the FY 2004-FY 2005 survey if the same addresses from both surveys coincide with required random numbers). If the target area boundaries are smaller than the previously surveyed area, the surveys of the residences no longer in the target area can be removed from the previous survey, or, the applicant may choose to re-number all residential structures in the smaller target area and conduct a new survey. 2) The data gathered for each survey must conform to the requirements of the program year for which funds were originally requested.

Local surveys must be conducted for housing and street applications and must be conducted every two program years or prior to the beginning of each two year funding cycle. Neither the re-submittal of previously conducted surveys nor the use of census data will be accepted for street and housing applications.

Very specific details pertaining to the conduct of the local surveys and the re-submittal of previously conducted surveys are presented in the FY 2006 – FY 2007 Louisiana Community Development Block Grant Program application packages for housing, public facilities, demonstrated needs, and LaSTEP.

When conducting a local survey, the low and moderate income level for an applicant in a non-metropolitan area will be based on the higher of either eighty percent of the median income of the parish or eighty percent of the median income of the entire non-metropolitan area of the State, adjusted for household size. For example, the FY 2005 median income for non-metropolitan Louisiana is \$39,900; therefore, the non-metropolitan state low/moderate income would amount to \$31,900, the low income limit would be \$19,950, and the extremely low income limit would be \$11,950. The low and moderate income levels for applicants in Metropolitan Statistical Areas (MSAs) will be determined on the basis of the entire MSA. The current annual income limits for moderate, low, and extremely low income persons for each parish are provided by this office, and are available on HUD's website. The current income limits must be used when conducting a local survey. The low/moderate income limits shown represent the higher of either eighty percent of the median income of the parish or eighty percent of the median income of the entire non-metropolitan area of the State. (HUD has rounded all income limits to the nearest \$50 to reduce administrative burden.)

The following sliding scale must be used to determine low/moderate income

based on family size:

<u># OF PERSONS IN HOUSEHOLD</u>	<u>% OF PARISH/MSA* LOW/MOD INCOME LIMIT</u>
1	70
2	80
3	90
4	100
5	108
6	116
7	124
8	132
9	140
10	148

For each person in excess of 10, add an additional eight percent.

*MSA = Metropolitan Statistical Area

When a local survey, rather than census data, is used to determine the low/moderate income benefit and/or low and extremely low income benefit, a random sample which is representative of the population of the entire target area must be taken. The survey methodology and procedures which must be followed when conducting a local survey are explained in detail in the FY 2006 - FY 2007 LCDBG Application Packages for housing, public facilities, demonstrated needs, and LaSTEP.

B. Program Objectives. Each activity must address one of the two national objectives previously identified under Section I. Program Goals and Objectives.

C. Rating Systems. All applications submitted for housing, public facilities, economic development, demonstrated needs, and LaSTEP projects will be rated according to the following criteria established for each program category.

Only those housing and public facilities applications that meet the FY 2006 threshold requirements will be rated/ranked against all similar activities in the appropriate program category/subcategory for the FY 2006 program.

1. Housing (Maximum of 70 Points)

All housing activities which are funded under the LCDBG Program must be consistent with the State's Consolidated Plan (formerly referred to as the Comprehensive Housing Affordability Strategy [CHAS]), as required in the Cranston-Gonzalez National Affordable Housing Act.

All units which will be rehabilitated or reconstructed must be occupied by low/moderate income persons. Proof of ownership for owner occupied substandard units targeted for housing assistance must have been verified by the applicant through the local Clerk of Court's

office or another method approved by the State prior to the submittal of the application; proofs of ownership must have been submitted with the application. Rental units are ineligible for rehabilitation or reconstruction purposes under the LCDBG Program.

The number of housing target areas may not exceed two. In delineating the target areas, it must be kept in mind that the boundaries must be coincident with visually recognized boundaries such as streets, streams, canals, et cetera; property lines cannot be used unless they are also coincident with visually recognized boundaries. Contact the housing staff in the Office of Community Development for assistance if you are unable to define a target area which coincides with those boundaries (e.g. one long, continuous street with no visually recognizable boundaries). All houses rehabilitated within the FEMA one hundred year floodplain must comply with the community's adopted flood damage prevention ordinance, where applicable.

Mobile homes and modular housing units are now eligible to be replaced with a stick-built home under the LCDBG Program. However, the rehabilitation of mobile homes and modular housing units is prohibited. All housing units (including mobile homes and modular housing units) located in the target area at the time of survey must have been surveyed. Mobile homes and modular housing units located on a rented lot/land will be defined as rental regardless of the ownership status of the housing unit itself.

Spot rehabilitation is eligible with prior written approval from the State's Office of Community Development within the target area. Spot rehabilitation can commence once the grantee has completed rehabilitation, reconstruction and demolition activities on **all** housing units in the grantee's original application for funding. Any remaining LCDBG funds may be utilized for spot rehabilitation in the following order:

- (1) Roof replacement or repairs
- (2) Central heat and A/C installation
- (3) Electrical
- (4) Plumbing
- (5) Accessibility

Housing units which receive spot rehabilitation do not have to meet Section 8 Housing Quality Standards.

Adjudicated homes within the target area will qualify for rehabilitation/reconstruction under the LCDBG Program and will be counted as owner occupied housing. The terms for the transfer of ownership to a low income family will be predicated on a ten year forgiven loan basis.

(a) Program Impact (Maximum Possible Points - 15)

This will be determined by dividing the total number of owner occupied units (including adjudicated units, mobile homes, and modular housing units) to be rehabilitated and/or reconstructed plus vacant units to be demolished in the target area by the total number of owner occupied substandard units (including adjudicated units, mobile homes, and modular housing units) in need of rehabilitation and/or reconstruction plus vacant units in need of demolition in the target area.

number of owner occupied units to be
rehabilitated and reconstructed plus
number of vacant units to be
demolished inside the target area = Raw Score
number of owner occupied substandard
units including those in need of demolition
and reconstruction plus number of vacant units
in need of demolition inside the target area

The raw scores will be arrayed and the top ranked applicant(s) will receive 15 points. All other applicants will receive points based on how they score relative to that high score:

$$\text{Program Impact Points} = \frac{\text{applicant's score}}{\text{highest score}} \times 15$$

(b) Needs Assessment (Maximum Possible Points-25)

This will be determined by comparing the total number of owner occupied and vacant units to be treated in the target area (including adjudicated units, mobile homes, and modular housing units) to the overall needs of the target area (including adjudicated units, mobile homes, and modular housing units).

number of owner occupied and vacant
units to be treated in target area = Raw Score
number of units in need of treatment
in target area

The raw scores will be arrayed and the top ranked applicant(s) will receive 25 points.

$$\text{Needs Assessment Points} = \frac{\text{applicant's score}}{\text{highest score}} \times 25$$

No project will be funded that meets less than seventy-five percent of the identified need.

(c) Cost Effectiveness (Maximum Possible Points-25)

This will be determined by the following formula:

$$\text{CE Points} = (\text{Rehabilitation Cost \%} \times \text{Rehabilitation \%} \times 25) + (\text{Reconstruction Cost \%} \times \text{Reconstruction \%} \times 25)$$

Both rehabilitation and reconstruction cost percentages will be determined by comparing the lowest average cost proposed in each activity to each applicant's average cost in each activity. Rehabilitation and reconstruction percentages will be determined by the number of units in each activity that the individual applicant applies for.

For example purposes only, consider that the lowest average rehabilitation cost in all housing applications received was \$15,000 and the lowest average reconstruction cost was \$45,000. The following cost effective points would be allocated:

Town A proposes to rehabilitate one house for \$18,000 and reconstruct nine houses at an average cost of \$46,500 each. Town A would receive 23.857 points for cost effectiveness based on the following:

$$[(\$15,000 \div \$18,000 = 83.333 \text{ Rehabilitation Cost } \%) \times (1 \div 10 = 10.000 \text{ Rehabilitation } \%) \times 25 = 2.083 \text{ Rehabilitation Points}] + [(\$45,000 \div \$46,500 = 96.774 \text{ Reconstruction Cost } \%) \times (9 \div 10 = 90.000 \text{ Reconstruction } \%) \times 25 = 21.774 \text{ Reconstruction Points}] = \underline{\underline{23.857 \text{ Cost Effective Points.}}}$$

Town B proposes to reconstruct eleven houses at an average cost of \$49,000 each (no rehabilitation). Town B would receive 22.959 points for cost effectiveness based on the following:

$$(\$45,000 \div \$49,000 = 91.837 \text{ Reconstruction Cost } \%) \times (10 \div 10 = 100.00 \text{ Reconstruction } \%) \times 25 = 22.959 \text{ Reconstruction Points} = \underline{\underline{22.959 \text{ Cost Effective Points.}}}$$

Town C proposes to rehabilitate four houses at an average cost of \$15,000 each and reconstruct five houses at an average cost of \$50,000 each. Town C would receive 23.611 points for cost effectiveness based on the following:

$$[(\$15,000 \div \$15,000 = 100.000 \text{ Rehabilitation Cost } \%) \times (4 \div 9 = 44.444 \text{ Rehabilitation } \%) \times 25 = 11.111 \text{ Rehabilitation Points}] + [(\$45,000 \div \$50,000 = 90.000 \text{ Reconstruction Cost } \%) \times (5 \div 9 = 55.555 \text{ Reconstruction } \%) \times 25 = 12.500 \text{ Reconstruction Points}] = \underline{\underline{23.611 \text{ Cost Effective Points.}}}$$

The cost effectiveness points assigned to the FY 2006 housing applications will be based upon those applications which meet the threshold requirements for FY 2006 funding eligibility. The cost effectiveness points assigned to the FY 2007 applications will be based upon only those applications which meet the threshold requirements for FY 2007 funding eligibility. Therefore, the cost effectiveness points assigned to the FY 2006 applications will most likely differ from those points assigned to the FY 2007 applications. When determining the cost effectiveness points for the FY 2007 applications, the applications that were funded during the FY 2006 program year will not be taken into consideration.

(d) Involvement of Auxiliary Entities (Maximum Possible Points - 2)

Applicants that will involve the assistance of other agencies or organizations (such as Community Action Agencies, Green Thumb, Habitat for Humanity, or any volunteer or civic groups) in **the renovation or reconstruction** of housing units in the target area(s) will receive two points. Assistance which will only provide general cleanup of the target area and/or counseling services will not qualify for these points.

(e) Code Enforcement (Maximum Possible Points - 2)

Applicants which specifically identify steps that will be taken through code enforcement to correct problems in the target area that contribute to slum and blight will receive two points; such steps cannot be undertaken with LCDBG funds. The source(s) of funds or resources which will be used to accomplish these code enforcement activities must be included in the application for funding. In order to receive these points the local governing body must have an ongoing code enforcement program and documentation supporting code enforcement activities must be submitted with the application.

(f) Target Area Within a Designated Renewal Community (Maximum Possible Points - 1)

If the applicant's housing target area(s) is located within the boundaries of a federally designated Renewal Community, that application will receive one point. Documentation that applicant's target area(s) falls within the designated area must be included in the application. In order to receive this point, the entire target area or areas must fall within the boundaries of the designated Renewal Community.

Tie Breaker

In the event two or more applications receive the same score, the following criteria will be used to determine the ranking order of those applications. The applications with the same score will be ranked according to the highest numbers of elderly heads of households who will benefit from the housing project. In the event of a second tie, the applications will be ranked according to the highest numbers of handicapped persons in the households to be treated. In the event of a third tie, the applications will be ranked according to the highest numbers of female heads of households benefiting from the housing project.

2. Housing Rehabilitation – Physical Accessibility (Maximum of 23 Points)

\$100,000 will be set aside to fund one grant in a pilot program designed to make structural improvements to remove physical barriers that restrict mobility and accessibility of low-to-moderate elderly and disabled persons. One application will be funded in FY 2006.

All units which will be rehabilitated or reconstructed must be occupied by low-to-moderate income persons. Both owner-occupied and rental single-family housing units are eligible and potential applicants are encouraged to supplement these funds with local or other funds. Funds expended on rental units require a 50% dollar match from the landlord, and every renter-occupied residence receiving assistance under this program must be made available and affordable for occupancy by low-to-moderate income citizens for a period of ten (10) years. The applicant will be responsible for tracking availability and affordability of these units for this period.

The following criteria will be utilized in rating these applications.

(a) Cost Effectiveness (Maximum Possible Points - 10)

Cost estimates per person benefiting will be carefully evaluated. The cost per person benefiting will be calculated for each application requesting funding for an accessibility project. The lowest cost per person benefiting will be determined among the applications and that applicant will receive 10 points. Each applicant will then be scored relative to the lowest cost per person. The following formula will be used to determine the cost effectiveness points for each applicant:

$$CE \text{ Points} = \frac{\text{Lowest Cost per Person Benefiting}}{\text{Applicant Cost per Person Benefiting}} \times 10$$

(b) Program Impact (Maximum Possible Points - 10)

Cost estimates per housing unit will be carefully evaluated. The cost per housing unit benefiting will be calculated for each application requesting funding for an accessibility project. The lowest cost per housing unit benefiting will be determined among the applications and that applicant will receive 10 points. Each applicant will then be scored relative to the lowest cost per housing unit. The following formula will be used to determine the program impact points for each applicant:

$$CE \text{ Points} = \frac{\text{Lowest Cost per Housing Unit Benefiting}}{\text{Applicant Cost per Housing Unit Benefiting}} \times 10$$

(c) Involvement of Auxiliary Entities (Maximum Possible Points - 1)

Applicants that will involve the assistance of other agencies or organizations (such as Community Action Agencies, Green Thumb, Habitat for Humanity, or any volunteer or civic groups) in the actual accessibility modifications of housing units in the project will receive one point. To be eligible for this point, this assistance must lower the costs of the program. Assistance which will only provide general cleanup of the target area and/or counseling services will not qualify for this point.

(d) Target Area Within a Designated Renewal Community (Maximum Possible Points – 1)

If the applicant's target area is located within the boundaries of a federally designated Renewal Community, that application will receive one point. Documentation that the applicant's target area falls within the designated area must be included in the application. In order to receive this point, the entire target area must fall within the boundaries of the designated Renewal Community.

(e) Administrative Costs (Maximum Possible Points -1)

Those applicants that agree to pay all of the administrative costs associated with the implementation of the LCDBG program will receive one point. Such costs will include, but will not be limited to, application preparation fees, audit fees, advertising and publication fees, local staff

time, workshop expenses, administrative consultant fees, et cetera. If the applicant plans to utilize the services of an administrative consultant, local funds must be pledged and allocated for such services. While the LCDBG Program will allow a maximum of \$20,000 for an administrative consultant's fees, the actual cost may be less than this amount and will be determined through negotiation during the procurement process. To substantiate that the local governing body will pay the administrative costs associated with the LCDBG Program, a certification of such signed by the chief elected official must be included in the application as well as a copy of the resolution by the local governing body identifying the firm hired and the proposed amount of the contract. That resolution must state that local funds will be used to pay the administrative consultant fees and any other administrative costs incurred by the local governing body.

If the local governing body maintains full-time permanent staff for the sole or partial purpose of administering LCDBG or other federal programs, such staff must have proved its capacity to administer LCDBG or other federal programs through previous program administration. In this instance, the one bonus point will also be assigned.

The following requirement will apply to those applicants which receive the point for paying administrative costs and are successful in receiving a grant. If such grantees have an under-run in their project costs, the grantee will not be allowed to re-budget those monies for the purpose of reimbursing the local governing body for any administrative costs associated with the LCDBG Program.

Tie Breaker

In the event two or more applications receive the same score, the percentage of low/moderate income persons identified in the designated target area for each application will be determined based upon 2000 census data. The applications will be ranked according to the highest percentage of low/moderate income persons benefiting.

3. Public Facilities - Water, Sewer, Streets (Maximum of 65 Points)

For the purpose of ranking public facilities projects, subcategories will be established (new sewer systems primarily involving collection lines, rehabilitation of existing sewer systems primarily involving collection lines, sewer systems primarily involving treatment, water systems addressing potable water, water systems primarily for fire protection, streets, and other).

Potable water and sewer projects will be rated on a 65 point system, street projects will be rated on a 15 point system, fire protection projects will be rated on a 45 point system, and multi-purpose community centers will be rated on a 38 point system. Project severity will not be rated for street projects or multi-purpose community centers.

Any water or sewer project that is funded must completely remedy existing conditions that violate a state or federal standard established to protect public health and safety.

According to federal regulations, the general rule is that any expense associated with

repairing, operating or maintaining public facilities and services is ineligible. Examples of maintenance and repair activities for which LCDBG funds may not be used are the filling of pot holes in streets or the cleaning of drainage ditches/systems. LCDBG funds may be used only to reconstruct previously paved streets or to pave streets which have never been paved. Overlaying streets is not an eligible expense with LCDBG funds.

Drainage improvements may be undertaken in conjunction with street improvements projects. Drainage improvements, for the most part, must parallel streets that are proposed for improvements under the LCDBG program. The cleaning of drainage ditches is considered as a maintenance activity for which LCDBG funds cannot be used. The amount of funds which will be used to address drainage improvements will be taken into consideration when determining the average cost per person (cost effectiveness) for street projects.

Both parishes and municipalities are limited to two target areas for street projects. The local governing body must improve all streets within the target area(s) that qualify for improvements under the LCDBG programs. In delineating the target areas, it must be kept in mind that the boundaries must be coincident with visually recognized boundaries such as streets, streams, canals, et cetera; property lines cannot be used unless they are also coincident with visually recognized boundaries. Gerrymandering will not be accepted.

Each application will be classified as including a project that benefits a target area/areas or that provides benefits on a community-wide basis. To be considered as a community-wide project under the LCDBG Program, at least thirty-five percent of the total construction cost (including contingencies) must be utilized for a community-wide activity. If a project has one or more community-wide activities but the construction cost of that activity or activities is less than thirty-five percent of the total construction cost, the project will be classified as primarily involving a target area/areas. (The cost estimate in the application must clearly separate and distinguish between the community-wide and target area activities.) Those applications which propose activities serving a target area or areas (an area smaller than the jurisdiction of the local governing body) will also be classified as a target area.

An application can be classified in the subcategory of new sewer systems primarily involving collection if a minimum of 70% of construction costs are for the new sewer improvements. In this subcategory, only 30% of construction costs can be used for rehabilitation of an existing sewer collection system. If less than 70% of construction costs are for construction of a new sewer collection system, or sewer line extensions, the application will be rated under the rehabilitation of existing sewer systems primarily involving collection lines subcategory.

Specific standards/requirements that must be met for sewer, water and street projects are discussed in detail in the FY 2006 - FY 2007 LCDBG Application Package for public facilities.

(a) Percent of Benefit to Low/Moderate Income Persons (Maximum Possible Points

- 1)

For those applications that are classified as community-wide, for rating purposes and reporting purposes the beneficiaries of the project will be considered as all of the persons living

within the boundaries of the local governing body and/or those persons served by the utility system. For those applications that involve only target areas, (except streets), for rating purposes and reporting purposes the beneficiaries of the project will be considered as those persons residing within the boundaries of the target area or areas. For those applications which involve both target area activities and community-wide activities but which do not meet the LCDBG definition of community-wide, the target area data will be used for rating purposes and the community-wide data will be used for reporting purposes. Regardless of the application classification, projects which involve different beneficiaries for different activities must specifically identify the beneficiary data for each activity.

For street projects, all streets within the target area that require reconstruction must be served, however, beneficiaries for street projects will only be those residents whose EMS/911 address is identified as being on one of the streets designated for reconstruction.

The engineer for the project must certify as to whom he/she feels the beneficiaries will be for each proposed activity. The Office of Community Development will make the final determination in that matter.

The percentage of low/moderate income persons benefiting will be calculated by dividing the number of low/moderate income persons benefiting (as defined by the State) by the total persons benefiting. Only those applications in which the percentage of low/moderate income persons benefiting is at least fifty-one percent are eligible for funding.

One point will be assigned to those applications/projects where the percentage of low/moderate income persons benefiting is sixty percent or more. No point will be assigned for applications/projects benefiting less than sixty percent low/moderate income persons.

(b) Cost Effectiveness (Maximum Possible Points - 10)

The cost per person benefiting will be carefully evaluated and will be calculated for each project. All applications will be categorized by the type of project being proposed (new sewer systems primarily for collection, rehabilitation of sewer systems primarily for collection, sewer treatment, potable water, water for fire protection, streets, and other). Each project category will then be split into two population groups. The split for each project category will be based on the average value of the total persons benefiting per project which will be computed by dividing the sum of the total persons benefiting (after eliminating the highest and the lowest number of beneficiaries for each category for the calculation) by the number of applications for that category (after eliminating the two applications in each category with the highest and the lowest number of beneficiaries for the calculation). One group will consist of projects having a larger number of total

persons benefiting than the average value; the second group will consist of those projects having a smaller number of total persons benefiting than the average value. (If the total number of persons benefiting from any project equals the average value, that project will be placed in the second or smaller group.) The project in each group having the best cost effectiveness (cost per person) will be given ten points and the remaining projects will be prorated. The population groups will NOT be combined for each category. They will remain separate, thus creating twelve separate sub-category

pots of funding. This allows those projects benefiting many people and those benefiting fewer people to be rated and ranked against other projects benefiting a similar number of persons.

The following formula will be used to determine the cost effectiveness points for each applicant in each grouping:

$$CE\ Points = \frac{Lowest\ Cost\ per\ Person\ Benefiting}{Applicant\ Cost\ per\ Person\ Benefiting} \times 10$$

The cost effectiveness points assigned to the FY 2006 applications will be based upon those applications which meet the threshold requirements for FY 2006 funding eligibility. Therefore, the cost effectiveness points assigned to the FY 2007 applications will most likely differ from those points assigned to the FY 2006 applications. When determining the cost effectiveness points for the FY 2007 applications, the applications that were funded during the FY 2006 program year will not be taken into consideration.

(c) Project Severity (Maximum Possible Points - 50)

This rating factor will not apply to street projects.

This rating will be based upon the severity of existing conditions and the extent of the effect of those existing conditions upon the health and welfare of the community. Priority will be given to wastewater systems and water systems addressing potable water and/or fire protection.

In assigning points for project severity, the following general criteria will be utilized by the Office of Community Development or the cognizant review agency (if applicable) for the type of project proposed.

Water systems primarily for fire protection purposes: source capacity, reliability of supply, amount of storage, extent of hydrant coverage or spacing, water pressure and volume for fire fighting. A comprehensive approach has to be taken for the target area as all factors relating to the remedy of fire protection problems will be assessed. Fire fighting equipment such as trucks will NOT be fundable under the FY 2006 and FY 2007 LCDBG Program.

The following criteria will be used to rate the project severity of water systems which will be used for fire protection purposes. The maximum severity score for fire protection projects is 30.

- The following number of points will be assigned to those communities and parishes based on their current Public Protection Classification. For those parishes which are applying on behalf of a fire protection district, the number of point assigned will be based on the classification of the district or districts which will benefit from the project. If more than one

district and/or community is involved in the proposed project, the number of points assigned will be based upon the average of the Public Protection Classifications.

Class 10 - 10 points
Class 9 - 9 points
Class 8 - 8 points
Class 7 - 7 points
Class 6 - 6 points
Class 5 - 5 points
Class 4 - 4 points
Class 3 - 3 points
Class 2 - 2 points
Class 1 - 1 point

- The following range of points will be used to assign a score based upon the effect of the proposed improvements will have on the Public Protection Classification of the graded area (the jurisdiction for which funds are requested).

The proposed improvements will improve the Public Protection Classification grading. 6-10 points

The proposed improvements will improve the firefighting capabilities but will not change the Public Protection Classification grading. 1-5 points

There will be no improvement in the firefighting capabilities and no change in the Public Protection Classification grading. 0 points

- The following range of points will be used to assign a score based on the extent of the benefit of the proposed project within the graded area.

The proposed project will benefit all of the graded area. 6-10 points

The proposed project will benefit only a portion of the graded area. 1-5 points

The proposed project will not benefit any part of the graded area. 0 points

Wastewater systems and water systems addressing potable water needs: the existence of conditions in violation of those provisions of the State Sanitary Code that most directly

safeguard public health and the adequacy of the proposed improvements to eliminate such conditions. Compliance with federal and state laws and regulations will be taken into consideration. Verification of existing conditions will be provided by DHH and/or DEQ based on records or field investigations. Problems that are generally attributable to a lack of routine maintenance will result in a less favorable evaluation.

The specific details of the existing problems and proposed project must be provided so that the project can be assessed properly. A lower assessment of the project could result due to the submittal of incomplete or inaccurate information; in those instances, the assigned score will not be re-evaluated.

Scores for project severity are generally based upon the proposed actions in the tables below assuming that the proposed actions will completely remedy the existing problem. If an application contains several different actions, each action will be scored and the severity score will be pro-rated accordingly. Generally, scores will begin at the lower part of the range and will increase if evidence is presented that illustrates a more severe existing condition.

Project Severity Criteria for Wastewater Applications

PROPOSED ACTION	POINT RANGE
<i>COLLECTION</i>	
Replace or rehabilitate collection system components.	40-45
<i>TREATMENT</i>	
Replace or upgrade existing treatment facility to meet current capacity requirements.	45-50
Replace or upgrade existing treatment facility to meet future capacity requirements.	35-40
Replace or upgrade existing treatment facility to meet current discharge limits.	45-50
Replace or upgrade existing treatment facility to meet future discharge limits.	35-40
Replace or upgrade various treatment facility components.	40-45
<i>SYSTEM</i>	
New collection system to provide service for un-served areas.	45-50
Back-up power source (major element of proposed improvements)	30-35

Project Severity Criteria for Potable Water Applications

PROPOSED ACTION	POINT RANGE
<i>SOURCE & SUPPLY</i>	
Change source to replace or supplement existing unreliable source.*	45-50
Supplement supply when only one groundwater supply exists.**	45-50
Replace, rehabilitate, or supplement supply when existing supply is not capable of meeting demand requirements.***	40-50
Replace, rehabilitate, or provide supply as a back-up.****	35-40
<i>DISTRIBUTION</i>	
Replace lines due to multiple primary MCL violations.	45-50
Replace undersized lines or replace lines due to leakage or deteriorated condition.	40-45
Replace, rehabilitate, or provide booster pumps because of pressure problems.	45-50
Loop dead end lines.	40-45
Install water meters at service connections.	35-40
<i>STORAGE</i>	
Provide new storage facility when existing storage capacity is not capable of meeting current storage requirements.	45-50
Rehabilitate existing storage facility when existing facility is critical in meeting current storage requirements.	40-45
Replace or upgrade storage facility when minimum storage requirements have been met.	30-35
<i>TREATMENT</i>	
Upgrade treatment facility to meet primary drinking water standards.	45-50
Replace or upgrade disinfection capability.	45-50
Upgrade treatment facility due to increased demand.	45-50
Upgrade treatment facility to meet secondary drinking water standards.	35-40
Upgrade treatment facility to meet future treatment requirements.	35-40
Replace or upgrade various treatment facility components.	40-45
<i>SYSTEM</i>	
Replace or upgrade various system components due to multiple primary MCL violations.	45-50
Upgrade system due to lack of pressure.	45-50
New water system or extension of existing system to un-served areas.	45-50
Replace or rehabilitate various system components.	40-45
Back-up power source (major element of proposed improvements).	30-35

MCL – Maximum Contaminant Level as established by the U.S. Environmental Protection Agency.

* Example: Abandon wells and purchase water from a different system.

**Example: Construct additional well(s).

***Example: Construct additional well(s) or rehabilitate existing well(s). Higher scores will be given when the maximum day demand and the average day demand cannot be met. Lower scores will be given when only one of the demand figures cannot be met.

****Example: Construct an additional well when demand requirements have been met.

(d) Engineering Costs (Maximum Possible Points - 1)

One point will be assigned to those applicants which agree to pay all of the engineering costs associated with the implementation of the LCDBG program. Such costs include but are not limited to basic design, resident inspection, topographic and/or property surveying, testing, staking, et cetera. Local funds must be pledged and allocated for such services. To substantiate that the local governing body will pay the engineering costs associated with the LCDBG Program, a certification of such signed by the chief elected official must be included in the application as well as a copy of the resolution by the local governing body identifying the firms hired and the proposed amount of the contracts. That resolution must state that local funds will be used to pay the engineering fees and any other engineering costs incurred by the local governing body.

(e) Injection of Other Funds (Maximum Possible Points - 1)

Those applicants that agree to pay 10% of the project construction costs with other funds up to the LCDBG ceiling amount for the appropriate activity will receive one point. These other funds can include local funds, loans, obligated funding from other agencies, etc. The following requirement will apply to those applicants which receive the point for paying the required 10% of project construction costs and are successful in receiving a grant. If such grantees have an under-run in their project costs, the grantee will only have to be responsible for paying 10% of the final project construction costs up to the ceiling amount for the appropriate activity. If such grantees have an over-run in their project costs, the grantee will be responsible for paying the full 10% of the final project costs, up to the ceiling amount for the appropriate activity (plus any amount over the ceiling amount).

(f) Pre-agreement and Administrative Costs (Maximum Possible Points -1)

Those applicants that agree to pay all of the pre-agreement and administrative costs associated with the implementation of the LCDBG program will receive one point. Such costs will include, but will not be limited to, application preparation fees, audit fees, advertising and publication fees, local staff time, workshop expenses, administrative consultant fees, et cetera. If the applicant plans to utilize the services of an administrative consultant, local funds must be pledged and allocated for such services. While the LCDBG Program will allow a maximum of \$3,700 for pre-agreement costs and \$35,000 for an administrative consultant's fees, the actual cost of these services may be less than these amounts and will be determined through negotiation during the procurement process. To substantiate that the local governing body will pay the pre-agreement and administrative costs associated with the LCDBG Program, a certification of such signed by the chief elected official must be included in the application as well as a copy of the resolution by the local governing body identifying the firms hired and the proposed amount of the contracts. That resolution must state that local funds will be used to pay the pre-agreement and administrative

consultant fees and any other administrative costs incurred by the local governing body.

If the local governing body maintains full-time permanent staff for the sole or partial purpose of administering LCDBG or other federal programs, such staff must have proved its capacity to administer LCDBG or other federal programs through previous program administration. In this instance, the point will also be assigned.

The following requirement will apply to those applicants which receive the point for paying pre-agreement and administrative costs and are successful in receiving a grant. If such grantees have an under-run in their project costs, the grantee will not be allowed to re-budget those monies for the purpose of reimbursing the local governing body for any pre-agreement or administrative costs associated with the LCDBG Program.

(g) Target Area within a designated Renewal Community (Maximum Possible Points - 1)

If the applicant's public facilities target area(s) are located within the boundaries of a federally designated Renewal Community, that application will receive one point. Documentation that the applicant's target area(s) falls within the designated area must be included in the application. In order to receive this point, the entire target area or areas must fall within the boundaries of the designated Renewal Community.

Use of Other Funds in Conjunction with LCDBG Funds. Some projects may cost more than can be requested under the LCDBG Program; therefore, the applicant proposes to use other funds in conjunction with the LCDBG funds. Applicants that want to use other funds in conjunction with LCDBG funds must have those funds available and ready to spend. If the other funds involve loans or grants from other state, federal, or private sources, the monies must have already been awarded or be in the bank. To substantiate the immediate availability of the other funds, one of the following items is required: a letter from the local governing body stating the specific source, amount, and location of local cash, a line of credit letter from a financial institution such as a bank stating the amount available as a loan, specific evidence of funds to be received from a tax or bond election that has already passed, or a letter from another funding agency stating that the funds have been awarded and are currently available for expenditure.

If other funds are involved and that applicant is in a position to be funded, the LCDBG staff will contact the applicant prior to a grant award and request positive proof of the current availability of the other funds; if proof cannot be provided within the timeframe allowed by the Office of Community Development (approximately ten calendar days), then the project will not be funded. For example, if applicant number one does not have the other funds available for FY 2006 funding, then that applicant will not be funded under the FY 2006 program. Applicant number one will be reconsidered for funding again under the FY 2007 program (if the application is above the funding line); if the other funds are not available at that time, the applicant will no longer be considered for funding.

Insuring Adequate Financial Maintenance of Existing Water and Sewer Systems.

Recipients of FY 2006 grants providing funds for potable water and sewer assistance for an existing utility must be able to demonstrate, prior to release of funds, that the rate structure and retained earnings are adequate to properly operate and maintain the system once it is in operation. This will be determined by examining the system's current financial statements prepared in accordance with generally accepted accounting principles and financial projections of the completed project. The examination will include the system's cash flow for operating expenses, debt service obligations, income transfers, and provision for future maintenance requirements. Cash flow for future maintenance requirements will be set aside in a restricted assets account. Applicants must provide information on its current and future rate structure which includes volume, price, and number of customers. Expense data will include at a minimum current and projected electrical power requirements, chemical and materials expense, labor costs, and depreciation expense. The decision as to the adequacy of the rate structure shall be determined by the LCDBG staff considering all of the above factors.

4. Public Facilities - Multi-Purpose Community Centers (Maximum of 38 Points)

\$1.6 million will be set aside to construct multi-purpose community centers. The purpose of this activity is to provide a building which will assist local governing bodies in resolving some of their social, educational, human development needs and problems utilizing a comprehensive approach. This approach will centralize activities in one location and impact as many people as possible. Such activities provided at the center may include medical, dental, counseling, educational, recreational, and social services. It is expected that other funds and resources will be used in conjunction with the LCDBG funds.

Funds can be requested for new construction or renovation of a vacant building for use as a multi-purpose community center. Renovations or additions to, or replacement of existing multi-purpose community centers are ineligible.

LCDBG funds cannot be used to purchase equipment and furniture for the building with the exception of built-in kitchen appliances.

Each applicant must present a financial plan identifying the projected amount(s) and sources(s) of revenues, operating expenses, and funds for maintenance. Sources of revenue can be general revenue sources of the local government, dedicated revenue sources of the local government, and/or receipts from events.

In addition, each applicant must submit a letter of commitment from the local governing body indicating its commitment of local funds to pay all the pre-agreement and administrative costs associated with the LCDBG Program. Such costs will include, but will not be limited to, application preparation fees, audit fees, advertising and publication fees, local staff time, workshop expenses, administrative consultant fees, et cetera. If the applicant plans to utilize the services of an administrative consultant, local funds must be pledged and allocated for such services. While the LCDBG Program will allow a maximum of \$3,700 for pre-agreement costs and \$35,000 for an administrative consultant's fees, the actual cost of these services may be less than these amounts and will be determined through negotiation during the procurement process. To

substantiate that the local governing body will pay the pre-agreement and administrative costs associated with the LCDBG Program, a certification of such signed by the chief elected official must be included in the application as well as a copy of the resolution by the local governing body identifying the firms hired and the proposed amount of the contracts. That resolution must state that local funds will be used to pay the pre-agreement and administrative consultant fees and any other administrative costs incurred by the local governing body.

If an application requesting funds for a community center does not meet the intent of the program or does not address the required criteria, the State may deem that application as ineligible for funding.

The following criteria will be rated for these applications.

(a) Percent of Low/Moderate Income Persons (Maximum Possible Points - 1)

Projects consisting of more than one activity which involve different numbers and percentages of beneficiaries for each activity must specifically identify the number and percentages for each activity. For rating purposes, however, the application will be rated based upon the overall total number of persons benefiting.

If the community center will be used for community-wide or target area-wide activities, the total number of persons benefiting and percentages of extremely low, low, and moderate income persons will be determined by the populace within the boundaries of the community or target area. For any proposed community or target area-wide activities, the applicant must use census data and/or conduct a local survey, as discussed in Section III.A.1. No persons who live outside of a twenty mile radius of the proposed community center can be counted as beneficiaries.

The percentage of low/moderate income persons benefiting will be calculated by dividing the number of low/moderate income persons benefiting (as defined by the State) by the total persons benefiting. Only those applications in which the percentage of low/moderate income persons benefiting is at least fifty-one percent are eligible for funding.

One point will be assigned to those applications/projects where the percentage of low/moderate income persons benefiting is sixty percent or more. No point will be assigned for applications/projects benefiting less than sixty percent low/moderate income persons.

(b) Cost Effectiveness (Maximum Possible Points - 10)

Cost estimates per person benefiting will be carefully evaluated. The cost per person benefiting will be calculated for each application requesting a community center. The lowest cost per person benefiting will be determined among the applications. Each applicant will then be scored relative to the lowest cost per person. The following formula will be used to determine the cost effectiveness points for each applicant.

$$CE\ Points = \frac{Lowest\ Cost\ per\ Person\ Benefiting}{Applicant\ Cost\ per\ Person\ Benefiting} \times 10$$

The lowest cost per person for the FY 2006 rating cycle will be based upon only those applications which meet the threshold requirements for FY 2006 funding eligibility. Therefore, the cost effectiveness points assigned to the FY 2007 applications will most likely differ from those points assigned to the FY 2006 applications. When determining the cost effectiveness points for the FY 2007 applications, the applications that were funded under the FY 2006 program will not be taken into consideration.

(c) Utilization – (Maximum Possible Points – 20)

The applicant must identify the types of activities, and service providers that will be **housed** in the multi-purpose community center. The application must include letters of intent from the service providers. The letters of intent must state the name and purpose of the service provider, a detailed description of the services to be provided, a description of the basic hours during which the services will be provided, clientele data, and any other pertinent information. It is expected that services will be provided at the center on a daily basis. It is also expected that the primary purpose of the services offered will be for public/community uses rather than for **recreational** purposes. Examples of public services include, but are not limited to: child care, health care, job training, education programs, public safety, senior citizen services, services for homeless persons, drug abuse counseling and treatment, welfare services, et cetera.

(i) Frequency of Services (Maximum Possible Points – 10)

Points will be assigned based upon the hours during which services will be provided. Emphasis will be placed on the hours of provision of public services.

(ii) Number of Services (Maximum Possible Points – 10)

The number of services/service providers will be taken into consideration when assigning these points. All recreational activities, regardless of number of service providers, will be categorized as **one service**.

(d) Proximity of Services (Maximum Possible Points – 5)

For each service provider which will be housed in the community center, the applicant has to identify the location at which those services are now provided and identify the distance in mileage from the proposed community center. Those applicants proposing services that are not currently being provided within the proposed target area will score the highest.

For those municipalities which already have a community center or centers but may be requesting funds for another community center, a specific target area for the provision of services at the proposed community center within the boundaries of the corporate limits must be identified.

(e) Architectural Plans and Specifications (Maximum Possible Points - 1)

One point will be assigned to those applicants which agree to pay all of the architectural costs associated with the implementation of the LCDBG program. Such costs include but are not limited to basic design, resident inspection, topographic and/or property surveying, testing, staking, et cetera. Local funds must be pledged and allocated for such services. To substantiate that the local governing body will pay the architectural costs associated with the LCDBG Program, a certification of such signed by the chief elected official must be included in the application as well as a copy of the resolution by the local governing body identifying the firms hired and the proposed amount of the contracts. That resolution must state that local funds will be used to pay the architectural fees and any other architectural costs incurred by the local governing body.

(f) Target Area Within a Designated Renewal Community (Maximum Possible Points – 1)

If the applicant's target area is located within the boundaries of a federally designated Renewal Community, that application will receive one point. Documentation that the applicant's target area falls within the designated areas must be included in the application. In order to receive this point, the entire target area must fall within the boundaries of the designated Renewal Community.

Tie Breaker

In the event two or more applications receive the same score, the following procedure will be followed to determine the ranking order of those applications. The percentage of low/moderate income persons benefiting for the designated target area for each application will be determined based upon 2000 census data. The applications will be ranked according to the highest percentage of low/moderate income persons benefiting.

5. Economic Development

The economic development set aside is to be used to provide financial assistance to individual projects which will result in job creation or retention, in which a majority of the jobs (fifty-one percent) will be offered to persons of low to moderate income. The number of permanent full-time jobs created will influence the types and amounts of funds available.

The LCDBG economic development program provides funds directly to the local unit of government as do the other LCDBG programs. The local unit of government in turn can provide either direct financial assistance to the developer in the form of a loan or indirect assistance in the form of infrastructure improvements on property owned by the local unit of government.

The term “developer” means the corporate entity as well as the individual investors, stockholders, and owners of a for-profit business on behalf of whom the local unit of government is making the application. As an example of the effect of this definition, an LCDBG economic development loan to Company A cannot be used to purchase equipment, land, et cetera from

Company B, when both Company A and Company B are substantially owned by one or more of the same individuals. No grant award will be made to a local governing body for an economic development project which consists of a loan and/or infrastructure improvements in which an elected official or a member of his/her immediate family has a financial interest as the project developer. Requests from non-profit organizations will not qualify for assistance under this section.

As with the other LCDBG programs, a two way agreement (contract) is signed by the State and the local unit of government. In addition to this agreement, a second two-way agreement is signed by the local unit of government and the developer for infrastructure projects. This second agreement is subject to the approval of the State and will include provisions relating to: the expected number of jobs to be created or retained, the sources and uses of all funds to be committed to the project, the financial and other reporting requirements of the developer and the local unit of government. For loan projects, the State, the local unit of government, and the developer all sign a three-way contract. It will include the same provisions as for infrastructure projects and will also include the repayment terms for all funds borrowed and the security assigned to each loan granting institution or agency, and all other obligations of the developer, the local governmental unit and the State.

An application for LCDBG economic development funds may be submitted at any time during the year.

The following six requirements must be met by all economic development applicants:

(a) A pre-application meeting must be held with an authorized representative of the applicant local unit of government, the private developer, and the economic development staff of the Office of Community Development.

(b) A firm financial commitment from the private sector will be required upon submission of the application.

For all economic development projects except loans, the private funds/public funds ratio must not be less than 1:1. Loans will be funded at up to 80 percent of value.

The State must be assured that non-manufacturing projects will have a net job creation impact on the community and not simply redistribute jobs around the community. In addition, certain manufacturing and non-manufacturing projects will not be considered for funding based on past experience and the lack of potential for creating permanent positions. These non-eligible projects will include, but are not limited to, “cut and sew” operations (SIC 23 or NAICS 315) involving the manufacture of clothing/apparel and non-manufacturing operations such as hotels or motels (SIC 701 or NAICS 721).

Additionally, those projects involving “truck stops and related activities” as well as private prison developments and nursing homes will not be considered for funding.

Private funds invested in the project must be in the form of a developer's cash or loan proceeds. Revenues from the sale of bonds may also be counted if the developer is liable under the terms of the bond issue. Previously expended funds will not be counted as private funds for the purpose of this program, nor will private funds include any grants from federal, state or other governmental programs, nor any recaptured funds. The value of land, buildings, equipment, et cetera, already owned by the developer and which will be used in the new or expanded operation, will not be considered as private match.

(c) If cost per job created or retained exceeds \$15,000 for a loan to a developer or \$10,000 for a grant to the local governing body, the application will not be considered for funding. However, in census designated areas with poverty rates of 20 percent or greater these limits may be waived by the director not to exceed HUD requirements.

(d) A minimum of ten jobs created or retained is required for LCDBG economic development assistance.

(e) A minimum of fifty-one percent of the employment will be made available to people who at the time of their employment have a family income that is below the low to moderate income limit for the parish where the development occurs (24 CFR 570.483).

(f) The application must include documentation showing that the project is feasible from the management, marketing, financial, and economic standpoints. Management feasibility relates to the past experience of the developer in managing the type of project described in the application, or other similar managerial experience. Marketing feasibility deals with how well the market for the product has been documented at the application stage, the best case being that the developer has verifiable commitments substantiating the first year's sales projection. A typical market study includes a detailed analysis of competition, the expected geographical sales plan, and letters of intent to buy, specifying quantity and price. Economic feasibility relates to whether or not the developer has realistic projections of revenues and variable costs, such as labor and cost of materials, and whether they are consistent with industry value added comparisons. An assessment will be made of the industry sector performances for the type of industry/business described in the application. Financial feasibility has to do with the ability of the firm to meet all of its financial obligations in the short and long run, determined by a cash flow analysis on the financial history and projections of the business. In analyzing the financial feasibility of a project, the Office of Community Development may suggest alternatives in the timing of expenditures, the amount and proposed use of public and private funds, as well as other financial arrangements proposed in the application.

For an application to be funded, the State must be assured that the project is credit worthy; there is sufficient developer equity; the LCDBG funds will be efficiently and effectively invested; the maximum amount of private and the minimum amount of public funds will be invested in the project; the project will make an adequate return in the form of public benefits commensurate with the money invested; the State and the local community will not assume a disproportionate amount of risk in the project; and the State and the community will receive an adequate security interest proportionate to the LCDBG funds invested in the project.

An allocation of \$500,000 will be set aside for innovative entrepreneurial projects. An application with rating criteria will be provided at a later date. A formal amendment will be made to HUD in include specific rating criteria for this set-aside.

Local governments located within the boundaries of a federally designated Renewal Community will receive priority for economic development funds.

Default: The local governing body shall be ultimately responsible for repayment of the contract funds which were provided by the State.

The State shall look to the local governing body for repayment of all funds disbursed under this contract and default by the developer shall not be considered as just cause for non-payment by the local governing body. In case of a default by the local governing body in the repayment of contract funds to the State in accordance with the terms and conditions of the contract, the full sum remitted to the local governing body shall become due and payable to the State upon demand without the need of putting the local governing body in default.

The State shall deem the local governing body in default, regardless of the fact that the default was precipitated by the developer, to the extent that the local governing body failed to perform its contractual obligations in good faith.

Relocation: Some projects seek to facilitate the relocation of a particular business from an area to another. Recent federal legislation has mandated that LCDBG assistance will not be available to assist directly in the relocation of any industrial or commercial plant, facility, or operation, from one area to another area, if the relocation is likely to result in a significant loss of employment in the labor market area from which the relocation occurs.

Loans and Leases: For projects where the developer is seeking direct assistance in the form of a loan the following considerations shall apply.

The amount available to the local unit of government for a loan to a developer will not exceed \$15,000 per job created or retained. The maximum available to a new business is \$639,000. The maximum available for the expansion of an existing company is not an established dollar limit but is subject to the approval of the Office of Community Development. All loans for economic development purposes will be for no more than 80 percent (80%) of the loan purpose. The developer will be required to provide at least 20% of the cost. If infrastructure is used in combination with a loan request, the infrastructure portion of the project must be matched 1:1.

The State will recapture one hundred percent of the loan repayment of LCDBG economic development loans (program income to the State). Lease payments received as a result of LCDBG funds utilized in the construction, acquisition, or rehabilitation of a building shall be charged at fair market value and shall be considered as program income. If the recipient elects to charge in excess of fair market value rent, the extra portion shall also be considered as program income and will be returned to the State. If LCDBG funds are utilized in conjunction with other funds for such construction, acquisition, or rehabilitation, the pro-rata share of the lease payment will be considered program income and will be remitted to the State. These program income funds

received by the State will be placed in the State's Economic Development Revolving Loan Fund which will be used to supplement funding for economic development loans. These funds will be subject to the federal regulations regarding use of program income. The interest rate charged on the LCDBG economic development loan depends on the financial and cash flow projections of the applicant business. This rate will be determined in the application review.

Personal endorsement from all principals of corporations, partnerships, limited liability companies or sole proprietorships shall be required on the LCDBG loan documents. The principals shall 1) endorse the LCDBG loan to the corporation and 2) guarantee the payment and fulfillment of any obligation of the corporation. These endorsements will be made jointly to the local government and State of Louisiana. Normally, a principal is defined as owning five percent or more of the business.

Infrastructure: For projects where the developer is seeking indirect assistance in the form of infrastructure improvements on **public property**, the following considerations shall apply.

The maximum amount available to the local governing body for an infrastructure or building acquisition, construction, or rehabilitation type project grant is \$10,000 per job created or retained, with a \$1,039,000 limit on any single project including a building and improvements. These limits are inclusive of administrative costs.

Infrastructure economic development grants can be used by the local unit of government to provide sewer, water, and street/road access on public property to the private industrial/business site boundaries. Speculative development projects are prohibited. Economic development funds cannot be used to acquire, construct, or rehabilitate a building or to create a general industrial park project with the hope that a business client will then be attracted. It must be tied to a specific developer creating a specific number of jobs for low to moderate income people (the term "specific developer" herein relates to a single private for-profit business entity that possesses a federal tax identification number.)

When requesting infrastructure to facilitate the location of a business at a particular site, the developer must be able to show that this is appropriate to the needs of the business. The developer must provide sufficient financial and other statements, projections, et cetera to establish that the business is likely to be successful, and will create the appropriate number of jobs at the site in a specified time frame.

Certain assurances by the developer, related to the timing of his development on the site, will be required. Other agreements between the local governing body and the developer/property holder, relative to public rights of way, et cetera will be required as needed on an individual project basis.

For a grant to the local governing body for infrastructure improvements and/or for the acquisition, construction, or rehabilitation of a building and improvements for economic development, the private funds/public funds ratio for grant funds must be a minimum of 1:1.

In those instances where a local governing body has received a grant for the acquisition, construction, or rehabilitation of a building and improvements and the building is sold prior to receiving sufficient lease payment revenues to offset the amount of the grant, the governing body will be responsible to the State for the net unpaid portion of the grant, regardless of the sales price. "Net unpaid portion" shall mean the grant amount, less administration costs and any lease payments previously made to the State. The sales procedure to be followed by the local governing body must be approved in writing by the Office of Community Development prior to the sale.

6. Demonstrated Needs Fund

A \$2.0 million reserve fund will be established to alleviate critical/urgent community needs. The ceiling amount for demonstrated needs projects is \$225,000. All demonstrated needs projects must involve a minimum of \$50,000 in actual construction costs (excluding acquisition and engineering costs). Municipalities are only allowed to be funded for demonstrated needs funds every other program year. Parishes may be funded for one demonstrated needs project every program year; however, the wastewater, water, or gas system for which it is funded can only receive demonstrated needs funding every other program year. For example, if a municipality or particular parish water district received funding under the FY 2006 program for demonstrated needs, that municipality or parish water district would not be eligible to receive funds under the FY 2007 program year.

An application cannot be submitted for consideration under this fund if the same application is currently under consideration for funding under any other LCDBG program category.

Subject to the availability of funds, projects that meet the following criteria will be funded:

(a) General Eligibility

Proposed activities must be eligible under Section 105(a) of the Housing and Community Development Act of 1974, as amended, (see Appendix 3). These funds will primarily be awarded, however, to projects involving improvements to existing water, wastewater, and gas systems. Fire trucks and firefighting equipment and projects for wastewater treatment facilities for which DEQ or EPA have issued compliance orders are not eligible for funding under the demonstrated needs fund. Depending on the circumstances of the situation, routine work such as sewer line or manhole repair/replacement or water line repair/replacement does not meet the intent of the demonstrated needs program.

Each proposed activity must address one of the two national objectives.

(b) Critical/Urgent Need - Project Severity

Each activity must address a critical/urgent need which can be verified by the Office of Community Development as having developed within three months prior to submittal of the application.

The local governments that are interested in applying for these funds should first contact this office to discuss the feasibility of the proposed project. The local government will be requested to submit certain pre-application information, or a pre-application meeting may be conducted, depending on the situation.

If it is determined by this office that the proposed project meets the criteria of the pre-application review, the local government will be invited to submit an application. The application will then be evaluated for possible funding. The evaluation will not be based upon a numerical rating scale system. Keeping in mind the intent of the Demonstrated Needs Program, the Office of Community Development will take into consideration the degree of urgency of the project, the degree of risk, the number of persons affected, and the feasibility of the proposed solution. The applications which are deemed to meet the intent of the program will be funded as far as funds are available for the program year.

If the need for a project, (or parts thereof), applied for in a public facilities application becomes an emergency in nature and is funded under the Demonstrated Needs Program, it is possible that the original public facilities application may be subsequently funded. In this case, the fundable project construction costs of the public facilities application will be reduced based upon the scope of work that was funded under the Demonstrated Needs grant. The fundable administrative costs will be reduced based upon the amount that was funded under the Demonstrated Needs grant.

(c) Application Requirements

All items and forms necessary for a regular public facilities application will also be required for demonstrated needs.

7. LaSTEP Fund

\$500,000 will be set-aside to fund one or more projects under the LaSTEP Fund. These funds will be available for eligible recipients who are willing to solve water and sewer problems through the Small Towns Environmental Program (STEP) self-help techniques. The idea to use self-help as the method to meet a community's water and sewer needs usually begins with the realization that the community cannot afford the needed improvements if they are to be installed completely by construction contractors through the open bidding process. By reducing the project to the absolute essentials and utilizing the community's own resources (human, material, and financial), the project costs can be reduced significantly. Previously funded LaSTEP programs have shown reductions averaging fifty percent. LaSTEP funds can be used to cover materials, engineering, and administration costs.

Proposals for water and sewer improvements will be considered for LaSTEP funding if the following criteria are addressed: (1) the proposed activities can be completed through self-help, (2) the use of self-help methods will result in a significantly reduced project cost (a minimum of forty percent), and (3) the potential applicant is committed and ready to begin and complete the project using self-help. Those local governing bodies which are interested in applying

for LaSTEP funds may contact the Office of Community Development to schedule a pre-application conference; the purpose of the pre-application conference will be to discuss a specific project. If it is felt that the specific project meets the qualifications of the LaSTEP fund, the potential applicant will be invited to submit an application. All applications must include documentation of the project cost savings due to self-help (a comparison of the project costs utilizing self-help to the project costs utilizing conventional construction methods) and documentation of principal benefit to low and moderate income persons. The staff in the Office of Community Development will provide guidance, assistance, and support of community leaders and residents willing to use self-help to solve their water and sewer problems.

D. Submission Requirements

Housing and public facilities applications for FY 2006 – FY 2007 funds must have been submitted to the Office of Community Development on the forms and in accordance with the instructions provided in the FY 2006 - FY 2007 Louisiana Community Development Block Grant application packages for housing and public facilities. Applications for FY 2007 demonstrated needs, LaSTEP, and economic development funds will use the forms and instructions in their respective application packages.

Only that data received by the deadline established for applications will be considered in the selection process unless additional data is specifically requested by the Office of Community Development. Material received after the deadline will not be considered as part of the application unless it was requested by the Office of Community Development – this policy will be strictly enforced.

E. Application Review Procedure

1. The application must be mailed or delivered prior to any deadline dates established by the Office of Community Development. The applicant must obtain a "Certificate of Mailing" from the Post Office certifying the date mailed. The Office of Community Development may require the applicant to submit this Certificate of Mailing to document compliance with the deadline, if necessary.

2. The application submission requirements must be complete. If the Office of Community Development determines during the review of an application that the application did not contain items necessary to accurately rate the application, did not include all required forms, involved a local survey that was not conducted on a random and/or representative basis, or was poorly packaged, a letter detailing the inadequacies of the application will be sent to the local governing body submitting the application. If the next housing or public facilities application submitted by that local governing body is also deemed inadequate, then a point(s) or fraction thereof will be deducted from the overall score assigned to that subsequent application. (This procedure applies to all types of applications including those which may or may not be funded.)

3. The funds requested must not exceed the ceiling amounts established by the Office of Community Development.

4. Review and Notification. Following the review of all demonstrated needs, economic development, and LaSTEP applications, the Office of Community Development will notify the applicant of the actions taken with regard to its application. Following the funding of the FY 2006 housing and public facilities applications, the Office of Community Development will notify those applicants who were unsuccessful in being funded.

5. Criteria for Conditional Approval. The Office of Community Development may make a conditional approval, in which case the grant will be approved, but the obligation and utilization of funds is restricted. The reason for the conditional approval and the actions necessary to remove the condition shall be specified. Failure to satisfy the condition may result in a termination of the grant. Conditional approval may be made:

(a) where local environmental reviews have not yet been completed;

(b) where the requirements regarding the provision of flood or drainage facilities have not yet been satisfied;

(c) to ensure the project can be completed within estimated costs;

(d) to ensure that actual provision of other resources required to complete the proposed activities will be available within a reasonable period of time.

6. Criteria for Disapproval of an Application. The Office of Community Development may disapprove an application for any of the following reasons:

(a) Based on a field review of the applicant's proposal or other information received, it is found that the information was incorrect; the Office of Community Development will exercise administrative discretion in this area.

(b) The Office of Community Development determines that the applicant's description of needs and objectives is plainly inconsistent with facts and data generally available. The data to be considered must be published and accessible to both the applicant and State such as census data, or recent local, area wide, or state comprehensive planning data.

(c) Other resources necessary for the completion of the proposed activity are no longer available or will not be available within a reasonable period of time.

(d) The activities cannot be completed within the estimated costs or resources available to the applicant.

(e) The proposed activity is not eligible for funding or one of the two national objectives is not being met.

(f) The application does not score high enough to be above the funding line.

F. Program Amendments for LCDBG Program

The Office of Community Development may consider amendments if they are necessitated by actions beyond the control of the applicant. Recipients shall request prior approval from the Office of Community Development for all program amendments involving new activities or alteration of existing activities that will change the scope, location, or objectives of the approved activities or beneficiaries.

1. New or altered activities are considered in accordance with the criteria for selection applicable at the time the original application was reviewed and the policy, current at that time, regarding amendments.

2. All amended activities must receive environmental clearance prior to construction.

3. The Office of Community Development will ascertain as to whether or not the proposed activity is an integral part of the originally approved project and is necessary to complete the project as originally approved.

4. The Office of Community Development will also review the site location of the proposed activity in relation to the originally approved target area. If there is a budget under-run and an expansion of the target area is requested, approval of the amendment will be based upon the following circumstances. Such expansions will have to be contiguous to the original target area. The overall project will still have to primarily benefit low and moderate income persons. After making any adjustments to the score of the original application, the revised application will still have to remain above the funding line. The scope and intent of expansion will have to be in keeping with the scope and intent of the originally funded application. The requested amendment cannot merely involve an enhancement of the originally approved project.

IV. Administration

Rule for Policy Determination. In administering the program, while the Office of Community Development is cognizant of the intent of the program, certain unforeseeable circumstances may arise which may require the exercise of administrative discretion. The Office of Community Development reserves the right to exercise this discretion in either interpreting or establishing new policies.

V. Redistribution of Funds

Any monies awarded by the State that are later recaptured by or returned to the State will be reallocated in accordance with the Office of Community Development's policy, then in effect. The sources of these funds may include, but not be limited to, program income, questioned costs, disallowed expenses, recaptured funds from loans, unallocated monies, previously awarded funds not spent by grant recipients, et cetera.

With the following exception and the stipulations identified in Section II.E., the monies as defined above will be placed in the current program year's public facilities category and will be used to fund the project(s) with the highest score in one of the subcategories that was not initially funded. This policy will govern all such monies as defined herein from the FY 1999, FY 2000, FY 2001, FY 2002, FY 2003, FY 2004, FY 2005 and FY 2006 LCDBG Program years as well as subsequent funding cycles, until later amended. One exception is that all funds recaptured by the State from the payback of economic development loans will be placed in an economic development revolving loan fund which will be used to supplement funding for economic development projects. These funds will be subject to the federal regulations regarding use of program income.

All economic development loan repayments must be submitted to the State. Any other program income earned as a result of the LCDBG program will either be retained by the local governing body or submitted to the State. The Office of Community Development must be contacted for instructions regarding income as soon as the local governing body becomes aware of the income or of the possibility that program income will be received.

These regulations are to become effective upon approval of the Annual Action Plan by HUD and are to remain in force until they are amended or rescinded.

